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LEVEL 1 - 92 OF 133 STORIES

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June 28, 1997, Saturday, Final Edition

SECTION: A SECTION; Pg. A08

LENGTH: 627 words

HEADLINE: Clinton's Feelings Vary On Tobacco Settlement; Administration Review
Could Be Delayed

BYLINE: John F. Harris, Washington Post Staff Writer

BODY:

President Clinton yesterday praised a proposed tobacco settlement one moment and expressed concerns the next as he announced details of an administration review designed to help him sort out his mixed emotions.

Clinton said he considers the recent agreement between tobacco foes and cigarette companies "a terrific achievement," even as he worries it may "paralyze the capacity" of the Food and Drug Administration to regulate nicotine and "protect the American people."

Last Sunday, Clinton pledged to complete his review within 30 days. But White House aides, noting Clinton's ambivalent feelings and the technical complexity of the issues, made clear that is a goal, and the decision could easily be delayed into early August. Secretary of Health and Human Services Donna E. Shalala even joked about the due date. "Every president I know wants everything done in 30 days, and we take our president seriously, with great passion," she said. "We will tell him where we are in 30 days. We'll try to meet any deadline that he sets for us, but this is hard work."

Shalala and White House Domestic Policy Adviser Bruce Reed, who are co-chairing the administration's review of the tobacco settlement, announced they are dividing the review into four parts.

A panel looking at regulatory issues will focus on how the proposed settlement, if it were to be approved as is by Congress and signed by Clinton, will affect the FDA's jurisdiction over nicotine in cigarettes. Clinton, at an unrelated bill signing, said this issue is "the critical thing" in his mind. This panel is being run by Reed's deputy, Elena Kagan.

A second panel will examine the proposed settlement's effect on the budget, including how a planned \$ 368 billion payment over 25 years would be spent. It is being run by White House health policy aide Christopher C. Jennings. A third panel, also led by Kagan, will examine how the settlement deals with legal liability for cigarette makers. The last panel will look at the economic impact of the settlement on the tobacco industry, including proposed incentives and penalties for reducing youth smoking that were included in the deal. This group will be led by the White House Council of Economic Advisers.

Reed said the review will include "a little over 50 senior people from around the government."

The Washington Post, June 28, 1997

Shalala framed one of the key issues for review when she asked, "Who pays for this proposal?

"Is it the stockholders? Is it the individuals [smokers] because taxes will go up on cigarettes? Is it the broader taxpayers because some might be deductible under current laws?"

Shalala was getting at one of the less-noticed provisions of the proposal: that much of the \$ 368 billion would be paid through price hikes on tobacco products and that much of the payments would be tax deductible. Opponents of the deal have recommended that any penalties should be paid out of shareholder equity.

An administration official who asked not to be named said prospects for wrestling further concessions from the industry are good. "They have to have a settlement now. They've opened Pandora's box . . . They can't go back to stonewalling and denial," the official said.

Also yesterday, Clinton signed an anti-drug bill that passed Congress with nearly unanimous support. It makes matching grants of \$ 100,000 available for communities that have successful anti-drug programs. Clinton said the bill responds to a part of the drug problem not addressed by police arrests and border patrols. "Clearly it sends a signal that we are shifting emphasis to recognize that we will never get a hold of this problem unless we deal with the demand side here in America," he said.

Staff writer John Schwartz contributed to this report.

GRAPHIC: Photo, reuter/mark wilson, President Clinton says the tobacco proposal is an achievement, but he still has some concerns about it.

LANGUAGE: ENGLISH

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May 27, 1998 9:59 Eastern Time

SECTION: NATIONAL DESK

LENGTH: 1660 words

HEADLINE: Transcript of White House Briefing by Shalala, Segal, Kagan (1/2)

CONTACT: White House Press Office, 202-456-2100

DATELINE: WASHINGTON, May 27

BODY:

Following is a transcript of remarks by Secretary of Health and Human Services Donna Shalala, CEO and President of the Welfare-to-Work Partnership Eli Segal, and Deputy Assistant to the President for Domestic Policy Elena Kagan, in a White House press briefing today (1 of 2):

The Briefing Room

2:10 P.M. EDT

MR. TOIV: Good afternoon. Here to brief today on this wonderful success story are Secretary of Health and Human Services Donna Shalala and Eli Segal, who is president and CEO of the Welfare to Work Partnership. And they will just take your questions.

SECRETARY SHALALA: Welfare works, Sam.

Q I know that Mr. Morris, Dick Morris, told the President he ought to sign that bill, turns out to be right. Is that your view?

SECRETARY SHALALA: The President made his decision. He believed that welfare could work in this country, and it's working.

Q You were against it, weren't you, in the good old days?

SECRETARY SHALALA: I think the President and I agreed on what we needed for welfare reform and we got it. We restored a number of the cuts that were made in that welfare bill the President said he wanted after the election. But the most important message today that millions of people are moving off welfare. We have the lowest rates we've had since 1969. And the message from the private sector today is that people not only are taking the jobs, but they're staying in the jobs at higher rates than other employees coming in.

And if you'll remember, at one of the early briefings that I did, I said the test of welfare reform is not whether people leave the welfare rolls, but whether they stay in the jobs. The test is retention. The story today that Eli and his colleagues in the private sector told is a story of retention, of staying in the jobs.

Q Let me try a slightly different take on that question. There were a lot of people within your own agency and certainly within the broader community of social activists who had deep reservation about the welfare reform bill. Does he talk with them now and how much skepticism does there remain? Or do they look at this program and do you sense a reappraising?

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SECRETARY SHALALA: As Mary Jo Baine was leaving the Department she said, prove me wrong. We're in the process of doing that.

Q Mr. Segal, if I could just ask about the economy. Boon times, low unemployment, people wanting workers. So when it finds that the business cycle has not been repealed and we go into a recession, what happens to all these people?

MR. SEGAL: Sam, essentially we believe in the United States we have two unemployment systems: one, the chronologically long-term unemployed -- those are the people we say are in the welfare system; the other unemployment system, the people like us, our families, our friends, who are down on their luck, the company closes, the industry changes a little bit, lose their jobs -- they go into the unemployment compensation.

It's no question but that there are a lot of people who are the last hired/first fired, are going to lose their jobs if and when the economy turns south. But they would have been involved in productive labor. It's the reason why we say at the Welfare to Work Partnership every day, we're in a dash -- not in a marathon -- to move as many people as quickly as we can into work, into productive work. If in fact the economy turns bad, they and many other people may well lose their jobs.

One of the other messages of today -- but in short, they may lose their jobs, but they would have been involved in work and they're much more likely to get back up on their feet having an attractive track record in the past.

Q Is there still a safety net if they lose their job?

MR. SEGAL: That's something that I think at some point we're going to need to deal with. At least at this point our responsibility is to move people to work. There will be millions and millions of new people -- there are already hundreds of thousands of people working now who were not working only a year or two ago. And I think if the economy stays strong, we will continue to find jobs, and many people making it into the workplace.

SECRETARY SHALALA: There are actually two experiences that people are having that will be very important no matter what happens to the economy. The first one is they got a job and they kept it for a substantial period of time. The second is that they went through a training process. And that's what's going to keep our economy alive -- the training experience, understanding that to take jobs you have to go through a training experience. And it's companies organizing to move people into different slots as they have needs. And the training may turn out to be as significant for the flexibility of this group of people as actually getting in the job and retaining the job.

Q How do you explain the higher retention rates? Is it because of training programs? Is it because these employees have fewer other options available?

SECRETARY SHALALA: It may be a small part of the latter that you mentioned. But I think the first part is that companies are beginning to learn what it takes to retain people. Many of the companies talked to the President today about mentoring as part -- getting people ready for the job, putting them through internships or through training, but then assigning someone that would

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just be an ear for them, that would help them make the transition into work.

In addition to that, remember that we've also included child care. There is no children's health insurance available. The earned income tax credit becomes a powerful incentive, because work now pays better than welfare did in the past. So the combination of supports -- but the more personalized the system is, the higher the retention. And I think that's what the private sector reported today.

Even in my own department, where we've hired 200 welfare recipients, we have substantially changed the employees assistance program that is the support system for all entry, lower-income workers. All of our new workers now have one-stop shopping, a much more supportive human resource operation.

Q You mentioned you've hired 200. Can you update us on how the effort by the federal government as a whole now stands, how many have been hired at the White House also?

SECRETARY SHALALA: Do you want to do that?

MS. KAGAN: We've hired 4,800 as a whole in the federal government -- that's 48 percent of the goal that we set for ourselves of 10,000 by the year 2000. Different departments have different records. Different departments made different pledges, depending upon the character of their work force.

SECRETARY SHALALA: My Department, for instance, has hired two-thirds of our goal already, so we're going to exceed our goal substantially.

MS. KAGAN: Many departments are finding that there are very few departments that are running back of their goal.

Q What about the White House?

MS. KAGAN: The White House has met its goal, exceeded its goal. It had a goal of six, which given the White House's small staff was approximately equivalent to many other agencies' goals. And we have hired seven.

Q Doing what kind of tasks? House people are doing, but ours are mostly entry-level jobs, though a couple of people have gotten promoted pretty quickly into the system as they've learned the job.

MR. SEGAL: You asked about retention. The businesses are saying there are about four reasons they almost all give together.

First, they talk about mentoring or some kind of on-site coaching. Second, they talk about public/private partnerships, the need to do it not by themselves -- something that represents a dramatic change from where they were a year ago. They need help. They need help from government; they need help from nonprofit organizations. The third thing they talk about all the time is the nature of the benefit package they're offering and they have to make it a good benefit package. And fourth, probably most surprising, no compromise with quality. They require and expect those coming off the welfare rolls to be as good employees as any other entry-level employee.

One other thing that was interesting today. You probably have a stereotype of what a welfare to work person is. One of the things we're learning over and over again is these are not always only entry-level people. We're finding in

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some companies people are moving from welfare to jobs, white-collar jobs sometimes paying as much as \$30,000. And we're finding an incredibly varied experience based simply on the commitment of the company to do things the way they knew best. They know how to solve problems in the shop floor; they know how to solve problems in the office; and now they're knowing how to solve this problem. They're all figuring out a different way to do it.

SECRETARY SHALALA: We also have new statistics on the percentage of people that are leaving welfare who are going into the work force. And the new analysis of the Census Bureau data between 1976 and '77 indicates that 20 percent more actually are moving to work. And remember, people always moved off welfare -- some of them got married, some of them moved back in with their families. But what we're finding is a higher and higher percentage of people are going into jobs, number one. And number two, this discussion today, a higher percentage of them are staying in their jobs.

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May 27, 1998 9:59 Eastern Time

SECTION: NATIONAL DESK

LENGTH: 1169 words

HEADLINE: Transcript of White House Briefing by Shalala, Segal, Kagan (2/2)

CONTACT: White House Press Office, 202-456-2100

DATELINE: WASHINGTON, May 27

BODY:

Following is a transcript of remarks by Secretary of Health and Human Services Donna Shalala, CEO and President of the Welfare-to-Work Partnership Eli Segal, and Deputy Assistant to the President for Domestic Policy Elena Kagan, in a White House press briefing today (2 of 2):

Q Is there any sense that these companies sort of picked the low- hanging fruit and it's getting harder and harder to find qualified welfare recipients to --

SECRETARY SHALALA: Why don't you take a shot at it. I actually think the answer is no.

MR. SEGAL: I think the answer is mixed.

SECRETARY SHALALA: Good controversy.

MR. SEGAL: Some companies, like Cessna, ask no questions about your background -- you want to come to work there, they'll invest in making this work for you. For the most part companies are looking at the most job-ready person first and there's nothing wrong with it. We're happy to debate creaming or skimming, whatever else we call it. Companies need to get their feet on the ground on this, like any other practical problem, let's have some successes.

I think with the passage of time that they've learned a lot more, they're going to go deeper and deeper into the welfare pool with much, much more success because they've seen it work just the way businesses have always done. They've dealt with reality and they've made success and they will go on from there.

So for the most part, I think we are finding the most job-ready people, people that are ready to work today, and if not today, tomorrow. But I do think you're going to see other companies, some of these same companies step it up going forward.

SECRETARY SHALALA: The reason that I was less hesitant about that is because I think the states have sorted out their welfare rolls. Those that were eligible for SSI that were really, truly disabled have been moved to those programs, and I think that the group that's left on welfare -- remember, we're talking about a new group going into welfare over the last year or so in which a larger percentage are going into jobs. So it's harder to make that old argument that we creamed during the first couple of years. So I would suggest to you that the companies are more sophisticated, as Eli has indicated. The

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government is more sophisticated about support systems. That the states are getting their act together on getting their child care out. We're giving them lots of technical assistance. Children's health insurance will certainly help. The Earned Income Tax Credit will have a great effect.

But people themselves, in their neighborhoods -- the difference between a demonstration program and having everyone in your community having to think now about getting into the work force is that the culture is beginning to change both in the welfare office and in the communities to move more people out and to find appropriate opportunities for people.

MS. KAGAN: If I could just add one thing to that on behalf of Secretary Herman, who isn't here, because the \$3 billion Welfare to Work program is really meant to be geared towards exactly those hardest to employ people that you're talking about. I think the President understood that there was a need for additional funds to go towards those people to make sure that those hardest to employ people also got an entry into the work force. And that the grants that Secretary Herman gave out in the first part of the 25 percent of the program that is in competitive grants, towards agencies mostly community based, that really works with those very difficult to employ people and makes sure that they also get the leg up that they need.

SECRETARY SHALALA: I listened very closely to the private sector leaders today and if they have in their heads from now on that these are better employees, that they're more likely to keep them, which saves them money -- it's always cheaper to keep someone than to go out and hire -- and that as some of them describe it, they're more enthusiastic about working in those places, less cynical.

If that's the attitude they're going into this with, we couldn't be in a better situation at this point in time. And I can't emphasize enough how significant the retention report is today and the fact that more people are going into the job force. Because that was really our test. Our test was never just moving people from welfare to work; it was whether they were going to stick with it in the work force. And we always talked about the first or the second job, because that's what the literature previously told us.

But if there is retention going on now and if the private sector is beginning to see that as significant and economically important to them, then what's going on now is very significant.

Any other questions?

Q We at ABC think this is very important and I will personally brief NBC and CBS and CNN -- (laughter).

MR. SEGAL: Can I make a comment on that? You know, I was last here the day AmeriCorps became the law of the land; there was a similar number of people here. I actually want to say that, at the risk of sounding like a cheerleader or a boosterism, this is a big deal. The policy issues were pretty much decided in August '96. This was turned over to the states, to the people, to the private sector. And it is extraordinary to think that a year ago this was just an idea. Today we have 5,000 companies -- it's not easy to get 5,000 anythings to do something together -- all of whom with a common mission: they all want to hire welfare recipients.

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Now, that might not sound very big from a policy perspective, but in terms of changing America, in terms of changing the hiring practice of America, the fact that these companies have put themselves on the line -- some for clearly reasons of charity and being good citizens, but mostly because it's a smart solution for business. I think it is a big deal, and I think we're going to continue to see next year -- 135,000 this year, the President challenged them next year to do twice as many next year. When they do this next year, when we do this next year, and you're going to start talking about the people who move from welfare to work, and you're going to compare it with the size of the welfare rolls a year from now, you're going to see that quietly, in 1996, began a process that ended welfare as we know it.

Now, whether we want to give credit or not give credit, not being the point right now, I think it's a big deal. And whether people --

SECRETARY SHALALA: And the important thing of Eli's companies is three-fourths are small companies, which is where the growth is in the system.

THE PRESS: Thank you.

END

2:24 P.M. EDT

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MAY 27, 1998, WEDNESDAY

SECTION: WHITE HOUSE BRIEFING

LENGTH: 2703 words

HEADLINE: SPECIAL WHITE HOUSE BRIEFING

TOPIC: WELFARE-TO-WORK PARTNERSHIP

BRIEFERS:

DONNA SHALALA,

SECRETARY OF HEALTH AND HUMAN SERVICES

ELI SEGAL,

PRESIDENT AND CEO,

WELFARE-TO-WORK PARTNERSHIP

ELENA KAGAN,

DEPUTY ASSISTANT TO THE PRESIDENT,

DOMESTIC POLICY COUNCIL

BARRY TOIV,

DEPUTY ASSISTANT TO THE PRESIDENT,

DEPUTY PRESS SECRETARY

BODY:

Q I never miss a Shalala briefing -- never.

SEC. SHALALA: Thank you, Sam.

Q He's on the record --

Q (Chuckles.)

(Cross talk.)

MR. TOIV: Good afternoon. Good afternoon. Here to brief today on this wonderful success story are Secretary of Health and Human Services Donna Shalala and Eli Segal, who is president and CEO of the Welfare-to-Work Partnership. And they're -- they'll just take your questions.

SEC. SHALALA: Welfare works, Sam.

Q Well, I know that Mr. Morris, Dick Morris, told the president he ought to sign that bill. Turns out to be right. Is that your view?

SEC. SHALALA: Well, the president made his decision. He believed that welfare could work in this country, and it's working.

Q If I could follow up --

Q You were against it, weren't you, (though?), in the good old days?

SEC. SHALALA: I think the president and I agreed on the -- on what we needed for welfare reform, and we got it. We restored a number of the cuts that were made in that welfare bill the president said he wanted after the election.

But the most important message today is that millions of people are moving off welfare. We have the lowest rates we've had since 1969. And the message from the private sector today is that people not only are taking the jobs, but they're staying in the jobs at higher rates than other employees coming in. And if you'll remember that one of the early briefings that I did, I said the test of welfare reform is not whether people leave the welfare reforms -- leave the welfare rolls, but whether they stay in the jobs. The test is retention. The story today that Eli and his colleagues in the private sector told is a story of retention, of staying in the jobs.

Q Can I just try a slightly different take on that question? There was a lot of people within your own agency -- and certainly within the broader community of

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social activists -- who had deep reservations about welfare -- the welfare reform bill. As you talk with them now, how much skepticism does there remain? Or do they look at this program and do you sense a reappraisal?

SEC. SHALALA: As Mary Jo Bane was leaving the department, she said, "Prove me wrong." We're in the process of doing that.

MR. SEGAL: I have a --

Q Mr. Segal, if I could just ask about the economy -- boom times, low unemployment, people wanting workers.

So, when it finds that the business cycle has not been repealed, and we go into a recession, what happens to all these people?

MR. SEGAL: Sam, essentially we believe that in the United States we have two unemployment systems. One, the chronologically long-term unemployed; those are the people we say are in the welfare system. The other unemployment system are people like us, our families, our friends, who when they're down on their luck, a company closes, the industry changes a little bit, they lose their jobs. They go onto the unemployment compensation. There's no question but that there are a lot of people who are the last hired, first fired, are going to lose their jobs if and when the economy turns sour. But they would have been involved in productive labor. It's the reason why we say at the Welfare-to-Work Partnership every day we're in a dash, not in a marathon, to get as many people as quickly as we can into work, into productive work. If, in fact, the economy turns bad, they and many other people may well lose their jobs.

One of the other messages of today -- but in short, they may lose their jobs, but they would have been involved in work, and they're much more likely to get back up on their feet having had a track record in the past.

Q Is there still a safety net if they lose their job?

MR. SEGAL: That's something that I think at some point we're going to need to deal with. At least at this point, our responsibility is to move people to work. There will be millions and millions of new people, there are already hundreds of thousands of people working now who were not working only a year or two ago. And I think if the economy stays strong, we will continue to find jobs and many people making it into the workplace.

SEC. SHALALA: There are actually two experiences that people are having that will be very important no matter what happens to the economy. The first one is they got a job and they kept it for a substantial period of time. The second is that they went through a training process. And that's what's going to keep our economy alive, the training experience, understanding that to take jobs, you have to go through a training experience. And it's companies organizing to move people into different slots as they have needs. And the training may turn out to be as significant for the flexibility of this group of people as actually getting in the job and retaining the job.

Yes?

Q How do you explain the higher retention rates? Is it because of training programs or is it because these employees have fewer other options available to them?

SEC. SHALALA: It may be a small part of the latter that you mentioned, but I think the first part is that companies are beginning to learn what it takes to retain people. Many of the companies talked to the president today about mentoring as part -- getting people ready for the job, putting them through internships or through training, but then assigning someone that would just be an ear for them, that would help them make the transition into work.

In addition to that, remember that we've also included child care.

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There's now children's health insurance available. The earned income tax credit becomes a powerful incentive because work now pays better than welfare did in the past. So the combination of support -- but the more personalized the system is, the higher the retention. And I think that's what the private sector reported today.

Even in my own department, where we hired 200 welfare recipients, we have substantially changed the employees' assistance program that is the support system for all entry lower-income workers. All of our new workers now have one stop shopping and much more supportive human resource operations.

Q You mentioned you hired 200. Can you update us on how the federal government as a whole now stands, how many have been hired at the White House, also?

SEC. SHALALA: Elena, do you want to do that?

MS. KAGAN: We've hired 4,800 as a whole in the federal government. That's 48 percent of the goal that we set for ourselves of 10,000 by the year 2,000. Different departments have different records. Different departments made different pledges, depending upon the character of their work force.

SEN. SHALALA: My department, for instance, has hired two-thirds of our goal already. So we're going to exceed our goal substantially.

MS. KAGAN: Many departments are finding that. There are very few departments that are running back of their goal. And --

Q How about the White House?

MS. KAGAN: The White House has met its goal, exceeded its goal. It had a goal of six, which, given the White House's small staff, was approximately equivalent to many other agencies' goal. And we acquired seven.

Q Doing what kind of tasks?

SEN. SHALALA: Well, I don't know what the White House people are doing, but ours are mostly entry level jobs, though a couple people have gotten promoted pretty quickly into the system as they've learned the job.

MR. SEGAL: Could I --

Q (Off mike)?

MR. SEGAL: You asked about retention. There are essentially -- the businesses are saying there are about four reasons that almost all give together. First they talk about mentoring or some kind of on-site coaching. Second, they talk about public-private partnerships. They need to do it not by themselves, something that represents a dramatic change from where they were a year ago. They need help. They need help from government, they need help from nonprofit organizations. The third thing they talk about all the time is the nature of the benefit package they're offering, and they have to make it a good benefit package. And fourth, probably most surprising, no compromise with quality. They require and expect those coming off the welfare rolls to be as good employees as any other entry level employee.

One other thing that was interesting today. You would probably have our stereotypes of what a welfare to work person is. One of the things we're learning over and over again is these are not always only entry level people.

We're finding in some companies, people are moving from welfare to white-collar jobs sometimes paying as much as \$30,000. We're finding an incredible varied experience based simply on a commitment of the company to do things the way they knew best. They know how to solve problems on the shop floor, they know how to solve problems in the office, and now they're knowing how to solve this problem. They're all figuring out a different way to do it.

SEC. SHALALA: We also have new statistics on the percentage of people that are leaving welfare who are going into the work force. And the new analysis of the Census Bureau data, between 1976 (sic) and '77 (sic), indicates that 20

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percent more actually are moving to work. And remember, people always moved off welfare; some of them got married, some of them moved back in with their families. But what we're finding is a higher and higher percentage of people are going into jobs, number one; and number two, this discussion today, a higher percentage of them are staying in their jobs.

Q Is there any sense that these companies are sort of picking the low-hanging fruit, and it's getting harder and harder to find qualified welfare recipients to take these jobs. (Laughter.)

MR. SEGAL: I am happy to --

SEC. SHALALA: Yeah. Yeah. Why don't you take a shot at it, and I actually think the answer is no.

MR. SEGAL: I think the answer is mixed. I think some companies --

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MS. KAGAN: If I could just add one thing to that, on behalf of Secretary Herman, who isn't here, because the \$3 billion Welfare-to-Work program is really meant to be -- is meant to be geared towards exactly those hardest-to-employ people you're talking about. I think the president understood that there was a need for additional funds to go towards those people, to make sure that those hardest-to-employ people also got an entry into the work force. And the grants that Secretary Herman gave out in the first part of the 25 percent of the program that is in competitive grants towards agencies, mostly community-based -- that really works with those very difficult to employ people and makes sure that they also get the leg up that they need.

Federal News Service, MAY 27, 1998

SEC. SHALALA: I listened very closely to the private-sector leaders today, and if they have in their heads from now on that these are better employees, that they're more likely to keep them, which saves them money -- it's always cheaper to keep someone than to go out and hire -- and that, as some of them describe it, they're more enthusiastic about working in those places, less cynical -- if that's the attitude they're going into this with, we couldn't be in a better situation at this point in time.

And I can't emphasize enough how significant the retention report is today and the fact that more people are going into the job force, because that was really our test. Our test was never just moving people from welfare to work; it was whether they were going to stick with it in the work force. And we always talked about the first or the second job, because that's what the literature previously told us. But if there is retention going on now, and if the private sector is beginning to see that as significant and economically important to them, then what's going on now is very significant.

Any other questions? All right. Eli? Thank you. Q We at ABC think this is very important, and I will personally brief NBC and CBS and CNN -- (inaudible). (Laughter.)

Q The AP?

Q AP also.

MR. SEGAL: I'd like to make a comment on that. You know, I was last here the day AmeriCorps became the law of the land -- there was a similar number of people here. I actually want to say that -- at the risk of sounding like a cheerleader --

SEC. SHALALA: Oh, go ahead.

MR. SEGAL: -- or a boosterism, this is a big deal. The policy issues were pretty much decided in August '96. This was all turned over to the states, to the people, to the private sector. And it is extraordinary to think that a year ago, this was just an idea. Today we have 5,000 companies -- it's not easy to get 5,000 anythings to do something together -- all of whom with a common mission; they all want to hire welfare recipients.

Now, that might not be -- sound very big from a policy perspective, but in terms of changing America, in terms of kind of changing the hiring practices of America, the fact that these companies have put themselves on the line, some for clearly reasons of charity and being good citizens, but mostly because it's a smart solution for business, I think is a big deal.

And I think we're going to continue to see next year -- 135,000 this year. The president challenged them next year to do twice as many next year. When they do this next year -- when we do this next year -- and you're going to start talking about the people who moved from welfare to work and you're going to compare it with the size of the welfare rolls a year from now, you're going to see that quietly in 1996 began a process that ended welfare as we know it. Now, whether we want to give credit or not give credit, not being the point right now, I think it's a big deal. And whether people are here or not to do it --

SEC. SHALALA: And Eli -- the important thing of Eli's companies is three-fourths are small companies, which is where the growth is in the system.

Q Thank you.

END

LANGUAGE: ENGLISH

LOAD-DATE: May 28, 1998

4TH STORY of Level 1 printed in FULL format.

Copyright 1998 Cox News Service
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May 19, 1998, Tuesday 20:17 Eastern Time

SECTION: Washington - general news

LENGTH: 817 words

HEADLINE: HOUSE GIRDS FOR ITS DAY TO DEBATE TOBACCO With TOBACCO-MONEY. By
REBECCA CARR

BODY:

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WASHINGTON As the Senate debates a sweeping tobacco bill that would generate half a trillion dollars in new revenue and try to dramatically cut the number of teens who smoke, House members are working behind the scenes to be ready for when the spotlight turns there.

There is just one problem.

With House Speaker Newt Gingrich, R-Ga., loudly denouncing the Senate bill as a "money grab" by liberals, groups fighting for comprehensive legislation may find it difficult to build support for a bill as broad as the one being debated in the Senate.

That bill, by Senate Commerce Committee Chairman John McCain, R-Ariz., calls for raising the price of a pack of cigarettes by \$ 1.10 over next five years, expanding the authority of the Food and Drug Administration to regulate tobacco, and imposing steep fines on tobacco companies if they fail to reduce the number of youth smokers.

One of the more contentious provisions in the McCain bill is a cap on payments that the tobacco companies would pay in damage claims each year. Already there are signs that the liability measure would be hotly contested in the House as well.

Given the fight and almost certain court battle over such tobacco legislation, there is a move in the House to piece together a more modest bill aimed at teen smoking.

Rep. Sanford Bishop, R-Ga., thinks he has just bill.

Bishop, whose southwest Georgia district is home to tobacco farmers, wholesalers and tobacco plant workers, said a bill like McCain's would have an adverse impact on his district. He has crafted a bill that would target teen smoking by holding the teenagers themselves accountable as well as the retailers. The bill would: Require businesses to obtain a license to sell tobacco and face the possibility of revocation for selling to minors. Levy fines against minors caught purchasing or consuming tobacco, and possibly cost them their drivers' license. Restrict cigarette vending machines be areas that ban minors, such as a bar.

Cox News Service, May 19, 1998

Bishop's bill has come under attack because it does not address adult smokers and because it does not seek to force the tobacco companies to pay for anti-smoking campaigns as the McCain bill would.

But that does not worry Bishop.

'Hopefully, when the dust settles, people will see this as a realistic way to curb teen smoking without punishing the people who are working in law-abiding professions,' said Bishop.

Raising the price of cigarettes alone is not enough, Bishop said. When teenagers are spending \$ 100 on a pair of sneakers, even McCain's proposed increase would hardly be daunting.

Bishop, who does not smoke, thinks smoking cigarettes should be a personal choice for adults and remain outside the government's jurisdiction. 'People have to make decisions and I don't know if Big Brother is the best to make that decision,' Bishop said. Bishop said he hoped that the House would be more reasonable in its approach to passing a tobacco bill. 'I hope reasonable heads will prevail in the House,' Bishop said. 'I hope we can move away from the hysteria and the emotionalism and get down to work.'

But any bill that comes out of Congress would have to be signed by President Clinton, and the White House wants to see comprehensive legislation along the lines of the McCain bill.

Elena Kagan, a senior domestic policy adviser to President Clinton who helped negotiate the McCain bill, said she hoped that the action in the Senate would give the House impetus to pass similar legislation.

'I don't think there is any doubt that what emerges in the Senate will place enormous pressure on the House to act,' Kagan said.

At this point, she said, it was too early to tell what would emerge from the Senate.

The Senate fought throughout the day over the McCain bill, killing a Republican amendment to limit lawyers' fees and battling over what to do about the nation's 124,000 tobacco farmers.

'They negotiate settlements in the millions and billions of dollars and they take fees in the millions and billions of dollars,' said Sen. Lauch Faircloth of North Carolina, one of several Republicans behind the proposal to limit fees to \$ 250 per hour.

But that was hardly the most contentious part of the debate. Senate Majority Leader Trent Lott, R-Miss., angered Democrats from tobacco states by backing an amendment that would have gotten rid of a provision to protect the tobacco farmers.

Lott used his prerogative on Monday night to advance an amendment relating to tobacco farmers that was vehemently opposed by Sens. Wendell Ford, D-Ky., and Ernest Hollings, D-S.C. because it would dismantle the government subsidy program for tobacco farmers.

Cox News Service, May 19, 1998

'Let me provide fair warning,' Ford said. 'I will keep my pledge to tobacco farmers. I will do everything in my power to oppose attempts to ... attack the federal tobacco program.'

LOAD-DATE: May 20, 1998

8TH STORY of Level 1 printed in FULL format.

Copyright 1998 Times Publishing Company
St. Petersburg Times

April 3, 1998, Friday, 0 South Pinellas Edition

SECTION: NATIONAL; Pg. 1A

LENGTH: 1236 words

HEADLINE: As Clinton returns, foes who smelled victory taste defeat

BYLINE: DAVID DAHL; BILL ADAIR

DATELINE: WASHINGTON

BODY:

There's nothing like a little trip overseas to clear the air.

When he left for Africa 12 days ago, President Clinton looked as if he were heading out of town with a posse close behind. His sex-lies-and-harassment scandal overshadowed all else. Congress was ignoring his agenda. Washington's wise men and women saw it as only a matter of time before the country caught on to his foolishness.

And now?

Clinton is returning with a huge legal burden lifted from his shoulders, his political standing riding high and his opponents in the Republican Party in disarray. For much of the last week and a half, Americans have seen television and newspaper images of their president warmly greeted by African leaders and touring the continent of giraffes and elephants.

Back home, his allies were doing his dirty work. U.S. District Judge Susan Webber Wright's decision Wednesday to throw out Paula Jones' sexual harassment lawsuit gave traction to claims by Clinton partisans that all of the allegations facing him - including the obstruction of justice case still being investigated by independent counsel Kenneth Starr - are bogus.

"It was Kenneth Starr's choice to build his case on the foundation of the Paula Jones case," said Sen. Robert Torricelli, a New Jersey Democrat. "That no longer exists."

Democrats stepped up their attacks on Starr as a partisan, while hoping that the GOP-led Congress will be afraid to begin impeachment proceedings because of the Jones decision and the continued staying power of Clinton. But most GOP lawmakers say Starr's inquiry can proceed, and House Speaker Newt Gingrich told the Associated Press that his team is still preparing for some sort of public hearings on Starr's case if he produces a report.

Even his sharpest critics, though, agree that Wright's decision removes one of the two big legal clouds for Clinton. He can now, his partisans hope, return to his much discussed legacy.

LEVEL 1 - 58 OF 133 STORIES

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November 25, 1997

LENGTH: 1948 words

HEADLINE: THE WHITE HOUSE

Remarks by the President and First Lady at Adoption Bill signing

HIGHLIGHT:

The East Room

BODY:

MRS. CLINTON: Thank you and welcome to the East Room. Please be seated. We are delighted to have all of you join us today for this very important event and one that many of you in this room have worked for and looked for for many years.

There are some people that I would like to acknowledge and introduce before we get started. You will hear from the four members of Congress who are here on the stage, Representative Kennelly, Representative Camp, Senator Chafee and Senator Rockefeller. Also attending are Senator Craig, Senator DeWine, Senator Landrieu, Representative Levin, Representative Oberstar, Representative Maloney, and Representative Morella. And I'd like to ask all the members of Congress to please stand. (Applause.)

This was truly a bipartisan piece of legislation. It could not have been passed without the strong support of the members whom you see, including the sponsors who are here on the stage. It was also a work that was very much in the heart of Secretary Donna Shalala and her team from HHS - Richard Tarplin, Mary Bourdette, and Carol Williams. And I'd like to ask the Secretary and her team to stand please. (Applause.)

There were also a number of members of the White House staff who worked very hard with members of Congress and with members of the HHS contingent, and I'd like to acknowledge just a few of them - John Hilley, Bruce Reed, Elena Kagan, and in particular Jen Klein and Nicole Rabner. I want to thank all of them. (Applause.)

I'm also pleased that we have Governor Romer of Colorado. We have children, families, advocates, and leaders of the child welfare constituency here in our audience.

Nearly a year ago, the President and I met with children waiting in the foster care system for caring families to call their own. There the President pledged to reform the child welfare system to work better for the children it serves, to put their health and safety first, and to move children more quickly into safe and permanent homes. Today we as a nation make good on that pledge. And for the thousands of American children who wait for a stable, loving home that will always be there, it is not a moment too soon. Right now there are nearly half a million children in foster care. For most, foster care is a safe haven on the road to a permanent home or back home. Too many, however, make countless detours along the way, shuffling from family to family without much hope that they will ever find permanent parents to love and take care of them. These children who will enter this holiday season unsure about whether the

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family they celebrate this year will be there with them next year deserve better.

We know it makes a difference for children to have permanent loving homes. It's not only research that tells us this; we know it by our intuition, by our own experience and we have all seen it firsthand. It was here in this room two years ago that a young woman named Deanna - a child waiting to be adopted in foster care stood up and read a poem about what she wanted in life, and it wasn't real complicated. It is what all of us want. I'm happy that because of that event here in the East Room, she was able to meet a family who did adopt her. And I saw her last year at an event in Kansas City and almost didn't recognize her - from a shy, withdrawn 13-year-old, she had blossomed into a cheerful, outgoing, confident teenager with a brilliant smile.

This landmark legislation that the President is about to sign will see to it there are more stories like Deanna's. This legislation stands as proof of what we can accomplish when we come together. As we see today, the national government does have an important role to play in reforming our foster care system, and giving guidance to courts and states in offering incentives to speed up and increase the numbers of adoptions, and in making sure that the health and safety of our children is always the first priority.

But we know even more, all Americans have a role and a responsibility. Businesses can make it easier for their employees to adopt a child. And I want to single out Dave Thomas of Wendy's, who has led the way in showing all of us how that can be done. (Applause.)

Religious leaders can help spread the word about the joys of adoptions. Parents thinking about adoption can expand their search to reach out to kids in foster care. And if we reform the system so that it works the way that it should, more Americans will look to American children to adopt and not feel compelled to go overseas to adopt children. (Applause.)

With us today are some extraordinary Americans who have answered this call. This morning, the Department of Health and Human Services observed National Adoption Month by honoring outstanding achievements with the 1997 Adoption 2002 Excellence Awards. Secretary Shalala developed these awards at the request of the President. The winners are dedicated individuals and organizations, both large and small, who have worked to move children out of the foster care system and into permanent, loving homes. Some of them have been at the forefront of this issue for years; some have promoted and supported adoption in their communities; and some are parents who have opened their homes and hearts to our nation's most vulnerable children.

I'd like to ask all the honorees who were honored this morning to please stand. (Applause.) We want to thank you for the work you have done, for the example you have set. And we hope that through these awards, in conjunction with this legislation, there will be many, many more in your ranks in the years to come.

THE PRESIDENT: Thank you, Sue Ann. Thank you, Aaron (phonetic). And I want to thank the Badeau family for showing up. I think it's fair to say it was a greater effort for them than for anyone else here. (Laughter.) I appreciate the rest of your presence. It was easier for me than anybody; I just had to come downstairs. (Laughter.) But I'm grateful that they're here.

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reunification of families that help to meet post-adoption needs. With these measures we help families stay together where reunification is possible and help find safe homes for children much more quickly when it is not. We've come together in an extraordinary example of bipartisan cooperation to meet the urgent needs of children at risk. We put our differences aside, and put our children first.

This landmark legislation builds on other action taken in the last few years by Congress: the Adoption Tax Credit I signed into law August to make adopting children more affordable for families, especially those who adopt children with special needs; the Multiethnic Placement Act, enacted two years ago, ensuring that adoption is free from discrimination and delay, based on race, culture, or ethnicity; and the very first law I signed as President, the Family and Medical Leave Act of 1993, which enables parents to take time off to adopt a child without losing their jobs or their health insurance.

We have put in place here the building blocks of giving all of our children what should be their fundamental right - a chance at a decent, safe home; an honorable, orderly, positive upbringing; a chance to live out their dreams and fulfill their God-given capacities.

Now, as we approach Thanksgiving, when families all across our country come together to give thanks for their blessings, I would like to encourage more families to consider opening their homes and their hearts to children who need loving homes. You may not want to go as far as the Badeaus have - (laughter)

- but they are a shining example of how we grow - (applause) - they are a shining example of how we grow when we give, how we can be blessed in return many times over. We thank them and all - all of the adoptive parents in the country.

For those who are now or have been foster or adoptive parents, I'd like to say thank you on behalf of a grateful nation, and again say at Thanksgiving, let us thank God for our blessings and resolve to give more of our children the blessings they deserve.

Thank you very much. (Applause.)

LANGUAGE: English

LOAD-DATE: November 26, 1997

LEVEL 1 - 70 OF 133 STORIES

Copyright 1997 Associated Press
AP Online

November 10, 1997; Monday 13:31 Eastern Time

SECTION: Washington - general news

LENGTH: 651 words

HEADLINE: Clinton Opens Hate Crime Conference

BYLINE: SONYA ROSS

DATELINE: WASHINGTON

BODY:

Noting an alarming rise in hate crimes but uncertain of how it happened, President Clinton called today for broader laws to penalize acts of violence based on gender, disability or sexual orientation.

The president kicked off a White House Conference on Hate Crimes by endorsing a plan by Sens. Edward Kennedy, D-Mass., and Arlen Specter, R-Pa., to make it illegal to injure someone because they are gay, disabled or a member of the opposite sex.

"All Americans deserve protection from hate," Clinton said. "We should make our current laws tougher to include all hate crimes that cause physical harm."

The president was interrupted by a heckler who shouted: "If you murder Vince Foster, it is not a hate crime." It was a reference to a longtime friend and former aide to Clinton who committed suicide in 1993.

"We have the First Amendment, even here," Clinton replied. "But I think the hate's coming from your way, not mine."

Clinton said Americans can no longer ignore "what happens when racial or ethnic or religious animosity joins with lawlessness." He announced measures that include allowing victims of housing-related hate crimes to seek monetary damages from their attackers and devoting up to 50 extra FBI agents and federal prosecutors toward enforcing hate crime laws.

"Anybody who thinks that in the world of today and tomorrow that he or she can hide from the kind of poison that we see in various places in our country is living in a dream world," Clinton said. "Whether we like it or not, our futures are bound together, and it is time we acted like it."

The conference, involving about 350 people, is an offshoot of the president's race relations initiative. It was convened in part to address concerns raised by gay and lesbian activists that are not directly covered by the race effort.

Besides law enforcement, the participants in today's conference were to include civil rights activists, educators, religious leaders and victims of hate crimes.

AP Online, November 10, 1997

The conference drew at least one note of protest. The National European American Society, a private advocacy group for whites, took exception to being excluded from the conference.

In a letter to FBI Director Louis Freeh, the group's researcher, Joseph Fallon, argued that while victims of hate crimes are identified by race, ethnicity or sexual orientation, the perpetrators of such crimes are labeled only by race. Fallon said that unfairly inflates the number of offenders classified as white, promoting 'a false and inflammatory view of European Americans.'

'If law enforcement agencies can identify a known victim of a hate crime as a Hispanic,' Fallon wrote, 'they can just as easily ascertain whether a known perpetrator of a hate crime is a Hispanic.'

According to Justice Department statistics, 8,759 hate crimes were reported in 1996, compared with 7,947 reported in the previous year. White House officials said they are not sure whether the increase indicates that hate crimes are up or that they are reported better.

Race was a factor in 63 percent of all reported hate crimes, followed by religion, 13.9 percent; sexual orientation, 12 percent; and ethnic origin, 11 percent. The White House did not provide a breakdown by race.

The efforts Clinton was announcing today are designed to ensure that current laws are working and are leading to arrests, said Elena Kagan, deputy assistant to the president for domestic policy.

She noted that 30 percent of hate crime victims require hospitalization after an attack. By comparison, only 7 percent of victims of other crimes are hospitalized.

'So these crimes do tend to be serious and often violent,' Kagan said.

Today's conference was following up on Clinton's landmark speech over the weekend before the Human Rights Coalition. It was the first time a sitting president publicly before a gay and lesbian group.

LANGUAGE: ENGLISH

LOAD-DATE: November 10, 1997

LEVEL 1 - 73 OF 133 STORIES

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November 10, 1997

LENGTH: 2670 words

HEADLINE: THE WHITE HOUSE

Press briefing by Maria Echaveste and Elena Kagan

HIGHLIGHT: '

The Briefing Room

BODY:

MR. LOCKHART: Good afternoon, everyone. Before Mike comes out for the regular daily briefing, we are joined by Maria Echaveste, who is the Director of the Office of Public Liaison; and Elena Kagan, the Deputy Director of the Domestic Policy Council. They're going to give us a little rundown of the White House Conference on Hate Crimes, which is scheduled for Monday, give you an outline of what we expect the agenda to be, who will be participating. And they'll be glad to take any questions you have. Thanks.

MS. ECHAVESTE: Good afternoon. Just some background, why we're having the White House Conference on Hate Crimes. As part of our outreach and soliciting input on the President's Initiative on Race, one of the issues that people talked a lot to us about was the existence of hate crimes and what people perceive to be an increase in hate crimes, and this is an issue that we really decided to take a look at.

While a majority of hate crimes seem to be against people of color, there are hate crimes against people based on their beliefs, religious beliefs, sexual orientation. About six months ago the Attorney General put together a working group at the Department of Justice at the President's request to develop recommendations to tackle this problem.

So on Monday we will have this conference. It will be organized as follows. We have over 350 people coming from all over the country. A good portion are law enforcement, state and local officials - because law enforcement is a very significant partner in trying to combat hate crimes.

We will start off with a breakfast here at the White House that will be closed to the press, and then we will move over to GW, at which point the President will start the conference by making some opening remarks, will be making some announcements. And then he will moderate a panel with seven other individuals that include: a principal from Mamaroneck, New York, who after a series of hate crimes in Mamaroneck, which is a suburb in Westchester County, he organized a community effort to combat; a woman from Montana, who was the subject of anti-Semitic hate crimes and who organized her community to have both Jews and non-Jews put menorahs in their windows to show the community's response against hate crimes.

Fundamentally, this is about being tough on hate crimes. We're drawing a line against hate. There should be no question anywhere around this country that we do not tolerate violence against a person because of what they look like, what they believe in, because of their sexual orientation. There should be a

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broad consensus, indeed unanimity, that violence against an individual because of an individual's characteristics is wrong.

And so there will be law enforcement and prevention announcements on Monday. After the President's remarks we will then have a series of workshops moderated by members of the Cabinet. We have full participation, beginning with the Attorney General and including people like Secretary Cuomo, Secretary Riley, Secretary Slater; breaking into workshops - then that will be about an hour and a half - and then we will have the Attorney General get a report back from each of the moderators in terms of what was discussed and possible actions after the conference.

So why don't I stop there and let Elena talk a little bit about some of the data or statistics and facts that we have regarding hate crimes.

MS. KAGAN: I'll give you a little bit of the data, but I'll warn you first that the data we have, the statistics we have are not all that meaningful, and that's principally because hate crimes, we have every reason to think, are dramatically under-reported. They're under-reported for two reasons: first, because victims themselves are often embarrassed about the crimes or hesitant for other reasons to report them; and second, because under the existing system communities report crimes to the Justice Department in order to get aggregate figures voluntarily. Not all communities do that. There has been a steady increase each year in the number of communities that participate in this reporting system, but we're not yet at a hundred percent, so the statistics that I will give you are almost surely under what is truly happening out there.

And it's also very difficult from these statistics to actually figure out what the trends are, whether there are more hate crimes each year, whether they're staying the same, or whether there are even fewer. The statistics, as you'll see, go up, but it's hard to know whether that's because incidents are increasing or because the reporting is getting better.

But the total number of hate crimes in 1996, hate crime incidents reported, were 8,759. In 1995, it was 7,947. So there is an increase but, again, it's hard to know whether that's an increase in the actual incidents or just better reporting.

In terms of what kinds of crimes these are, the 1996 figures show that racial bias accounts for over 60 percent of the reported hate crimes, precisely 63.13. Religious bias accounts for 13.9 percent. Ethnicity, which is often crimes against people of Hispanic origin, count for 11 percent. And sexual orientation counts for about 12 percent of those crimes. That's a little bit about the statistics.

MS. ECHAVESTE: Questions?

Q Do you anticipate increased penalties for hate crimes as a result of this conference, recommended by the Attorney General?

MS. KAGAN: Well, we're going to have more to say about the announcements that we're going to make on Monday, and I don't want to say now what the President is going to call for, but the President is going to talk about law enforcement efforts, making sure that the laws we have on the book appropriately protect all our citizens and then making sure that those laws are enforced so

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that we're actually bringing the perpetrators of these crimes to justice. So I guess that's all I want to say about that now.

Q This question is for Maria. Maria, what groups - what civil rights are going to be attending and what parts are they playing Monday in the workshops?

MS. ECHAVESTE: Did you say "civil rights groups"?

Q Yes.

MS. ECHAVESTE: The participants really - it ranges everything from the usual organizations like ADL and National Council - Leadership Conference. But we also try to get individuals from community organizations from around the country. And I do want to stress the law enforcement participation. This is a significant piece, because one of the things that we've learned is that people who have been the victims of hate crimes have in the past been reluctant to report their crimes to their local police, if it was a crime because of sexual orientation, feeling there would be a lack of sympathy, a lack of responsiveness. And we really want to hear from law enforcement officials who have developed their task forces or their community response in order to teach others on how to do it.

I think the important thing about a hate crime is not every act of violence is, in fact, a hate crime. And oftentimes you don't know that is in indeed a hate crime until you've finished your investigation, in order to understand the motivation. And so this makes it a little more difficult to investigate.

Q First of all, about the connection between the remarks the President is going to make tomorrow night and the conference on Monday. Do you have anything to say about that?

MS. ECHAVESTE: We announced the date of the conference in June and it just was fortuitous that we had accepted the HRC dinner a few months later.

Q The second thing is with regard to education or the educational community, so to speak. A lot of this goes on in schools or with students to other students and in many communities is simply treated as a law enforcement issue. The schools boards or the administrations don't want to get involved. So -

MS. ECHAVESTE: That's absolutely - in fact we have two workshops: one on hate crimes in K through 12 - just having that title makes you cringe a little bit to think that students will be harassing and possibly engaging in physical attacks against fellow students when they're fairly young. We'll also have one on hate crimes on college campuses - on campus - because the education piece is very, very important.

Q Why did you decide to do this now? I mean, what - can you explain the timing? Why didn't this happen four years ago?

MS. ECHAVESTE: Well, all I can tell you in terms of what we've been working on - since I've gotten here at any rate - as I said, the idea came about as we were exploring and getting options and input on the President's Initiative on Race. And a number of groups came to us and said, you know, there is this problem of hate crimes and it really needs some visibility and needs to be put on sort of center stage, and we want to encourage the White House to do it. And so in that context we thought a conference is a good way to do it and it can

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encompass a variety of different groups that are the subject of hate crimes.

Q What will you do with the information afterwards? What sort of follow-up will you have?

MS. ECHAVESTE: Well, I think a lot of it depends on the interactions and the suggestions that come out of the workshops. I think that you will see from the announcements on Monday that there will, indeed, be follow-up. This is a significant commitment.

Q How do you decide what a hate crime is? Why is it a hate crime when it's against somebody who's a different race, but not a hate crime if it's somebody who's a different gender, for instance?

MS. ECHAVESTE: Well, that's precisely what I was getting to. They're trying to determine the motivations. There are those who argue that there are gender-based hate crimes. Those would be, obviously, very difficult - could be very difficult to investigate - I think not every rape would qualify as a hate crime. On the other hand, there could be instances or - not every act of violence against an African American by a white person is - or a Latino is necessarily a hate crime.

What we hope to learn from our law enforcement folks who will be attending on Monday is - one of the panels is law enforcement response to hate crime - how do you go about determining what is a hate crime. And it has to do with motivation and the identity of the victim. If the victim's characteristic was what led to the crime, as opposed to other motivations for crime, it's more difficult.

I think one of the statistics that Elena had, had to do with the percentage of victims who are - of hate crimes who require hospitalization versus those who are victims of other crimes. And I think it was like 30 percent.

MS. KAGAN: I think it's 30 percent of the victims of hate crime require hospitalization, and only 7 percent of non-hate crimes require hospitalization. So these crimes do tend to be serious and often violent.

Q Will there be any focus at the conference on the increasing number of hate sites on the Internet?

MS. ECHAVESTE: I don't - Richard -

MR. SOCARIDES: In the last break-out group -

MS. ECHAVESTE: I'm sorry, thank you for reminding me. One of the other workshops is combatting organized hate. That is, a workshop will be focused on groups that are organized around hate. And in that context, we should be discussing those things.

Q Why is this a federal issue, since criminal justice is basically a state and local issue?

MS. ECHAVESTE: Well, we do have federal hate crimes laws, and so there is federal law in this area.

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Q Criminal?

MS. ECHAVESTE: There is federal criminal law in this area.

Q Maria, pretty much we understand that the Race Advisory Board is trying to target more so youth as far as dealing with the racial issue. Are you going to, Monday, deal with more so youth-oriented issues with them, target youth as well?

MS. ECHAVESTE: Well, one of the participants on the President's panel is a sophomore in high school, a Filipino student who is part of an effort of the ADL's Children of Dreams program, who's working on peer training and to mediate tensions between groups. So there are young people involved in Monday's conference.

Q Do the statistics reflect the strength of organized hate groups? Are groups like the Klan and neo-Nazi groups on the increase? Do these numbers show anything in that regard?

MS. KAGAN: The aggregate numbers that we have are not broken down like that, so it's hard to say how much of them are crimes of organized hate groups and how much are the crimes of often, as one person said, teenagers acting sort of alone or in gangs of some kind. The statistics just don't give any indication.

Q Anecdotally, do you know? Do some of the experts that you've consulted ahead of this conference tell you anything about the strength of the presence of hate groups in the country?

MS. KAGAN: There is, obviously, still too much activity by hate groups and too many crimes committed by them. Klan Watch documented 51 cases of cross burnings in the United States in 1996. That's maybe one indication of the kind of crimes committed by a particular hate group.

But this is one of the things that's going to be talked about in one of these break-out sessions, is how prevalent these organized groups are, what kind of crimes they're committing and what we ought to do to respond to their activity.

Q Could you tell us the names of the workshops, so that we know what -

MS. ECHAVESTE: It's in the press advisory.

MR. LOCKHART: It will be available right after the briefing.

Q Would the Oklahoma City bombing qualify as a hate crime under your definitions?

MS. ECHAVESTE: No. Although it sort of represents how difficult it is to take on this issue. But because it

- we sort of - that's domestic terrorism; it is focused on an issue, if you will, not against particular individuals, the characteristic of the individual as we saw in terms of the people who got hurt - it crossed the lines of people who got hurt.

M2 PRESSWIRE November 10, 1997

It's the same way that clinic violence would not - although some groups have asked that it be considered a hate crime, it would not meet the strict definition.

Q Do you have statistics on hate crimes committed on college campuses?

MS. ECHAVESTE: No. In fact, one of the workshops will be about the need for data. And I think out of that we might find some suggestions in terms of what kind of data needs to be collected in order to be able - like with any problem, you need the facts in order to devise strategies for combating and resolving those kinds of problems. So I think we might get some good suggestions.

Q Talking about the definition - I'm still unclear

- these 8,759 reported last year, are they hate crimes as defined by the responsible particular law enforcement agency, that they felt was a -

MS. KAGAN: That's right. And often it depends on their own law and the definition of hate crimes in their own law, and that does vary from jurisdiction to jurisdiction. But for the most part, state laws look at the same thing, which is whether the attack or the other kind of crime was motivated by some kind of bias or animus against a characteristic of the victim - whether that's sexual orientation, or race, or gender, or what have you.

Q What can we expect to see Monday? Are we going to see something like we saw with some of the Race Advisory Board meetings where you just have pretty much experts just talking, or do you have interactive

-

MS. ECHAVESTE: Well, we have the - as I described, we have - over 350 people. There will be plenary session in which the President addresses them, and then the President moderates the panel of seven people that will be discussing the issue of hate crimes. Then they do breakout sessions and they'll be broken into 50 people per breakout. And then they'll be brought back together again. So there will be interaction among folks and then those discussion groups.

Any other questions?

Great. Thank you.

LANGUAGE: English

LOAD-DATE: November 11, 1997

LEVEL 1 - 23 OF 133 STORIES

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The New York Times

April 1, 1998, Wednesday, Late Edition - Final

SECTION: Section A; Page 19; Column 1; National Desk

LENGTH: 466 words

HEADLINE: Heated Hearing Over the Fate Of an Agency

BYLINE: By ERIC SCHMITT

DATELINE: WASHINGTON, March 31

BODY:

A senior House Republican accused the White House today of manipulating a Government review to insure the survival of the beleaguered Immigration and Naturalization Service.

The lawmaker, Representative Harold Rogers of Kentucky, heads a House Appropriations panel that controls the immigration service's financing and supports a Federal advisory panel's recommendation to disband the immigration service and assign its duties to other Federal departments.

A White House-led review this year rejected that idea and hired a consulting firm, Booz-Allen & Hamilton, to help revamp the agency.

The Commissioner of the immigration service, Doris M. Meissner, presented Mr. Rogers's panel today with the results of that effort: a reorganization plan that would separate the agency's service and law-enforcement functions, but keep the agency intact.

Mr. Rogers and other Republicans immediately denounced the plan as a "papered-over reorganization attempt."

The rancorous two-hour hearing saw Mrs. Meissner's first testimony before Congress since the advisory panel made its recommendations last fall, and heralded what is likely to be several confrontations between the Republican-led Congress and the Clinton Administration over the fate of the immigration service.

Senior Republicans say the immigration service is collapsing under the weight of its conflicting missions: service and enforcement. Immigrants applying to become citizens have to wait up to two years in large cities, while Government officials express alarm at the boldness of immigrant-smugglers, particularly in the country's interior.

Under the Administration's plan, the agency would scrap its longstanding organization by geographic districts and regions and would create separate field offices that would deal with enforcement or services.

The proposal has drawn opposition from many of the agency's field directors, who, predictably, view the plan as impinging on their authority.

The New York Times, April 1, 1998

Mrs. Meissner said the plan, which would take three years to carry out, "untangles I.N.S.'s overlapping and frequently confusing organizational structure and replaces it with two clear chains of command."

Mr. Rogers said the consultant was directed by the Administration "to consider keeping the I.N.S. intact" and never seriously considered the proposal to divide the agency.

The deputy assistant to the President for domestic policy, Elena Kagan, disputed that, saying: "We took the commission's report and recommendations very seriously. We did decide the commission had recommended a solution that was not the best solution."

Even though many senior Republicans, and some Democrats, express frustration with the immigration service, most do not go as far as Mr. Rogers in seeking to abolish the agency.

LANGUAGE: ENGLISH

LOAD-DATE: April 1, 1998

The New York Times, February 23, 1998

of this country's low inflation."

Senator Spencer Abraham, the Michigan Republican who heads the Judiciary Subcommittee on Immigration, shares this concern.

"If American companies cannot find home-grown talent and if they cannot bring talent to this country," Mr. Abraham said, "some of them will move their operations overseas, taking American jobs with them. That is why I am going to use my position to propose that we increase the number of more highly skilled temporary workers we allow into the United States."

Speaker Newt Gingrich said he too supported an increase in the quota for "people of high talent."

The Commerce Department predicts that the United States will need more than 1.3 million new information technology workers -- an average of 138,000 a year -- in the coming decade.

The openings come in the context of a tight labor market. Over all, the national unemployment rate last year, averaging 4.9 percent, was the lowest since 1973.

The options for increasing the immigration quota are described in a memorandum requested by Elena Kagan, deputy director of the Domestic Policy Council at the White House. The memorandum, prepared and approved by senior officials at the Departments of Commerce, Labor and State and the Immigration and Naturalization Service, begins by saying, "This is a very controversial issue."

Seth Harris, the Acting Assistant Secretary of Labor for Policy, said Ms. Kagan had "asked the Labor and Commerce Departments to draft a memorandum setting forth options with respect to the proposal to increase the cap on H-1B visas."

White House documents show that the Commerce Department, the State Department and the immigration service favor an option that would set the quota for skilled foreign workers at 80,000 to 100,000 a year. Information technology and other industries with shortages of skilled workers would have priority in getting the extra visas, above the current 65,000.

At present, employers seeking H-1B visas do not have to show a shortage of American workers, nor do they have to show that they tried to recruit Americans for the jobs.

The Labor Department would prefer to keep the cap at its current level, but might give priority within the quota to industries that have shortages of skilled workers, the documents say. Senator Edward M. Kennedy of Massachusetts, the ranking Democrat on the immigration subcommittee, favors this approach.

Technology companies say that, while they support more education and training for Americans, they need skilled labor immediately and therefore want to bring in additional foreign workers.

Administration officials said they would prod Congress to adopt new protections for American workers as lawmakers consider raising the quota for

LEVEL 1 - 40 OF 133 STORIES

Copyright 1998 The New York Times Company
The New York Times

February 23, 1998, Monday, Late Edition - Final

SECTION: Section A; Page 13; Column 1; National Desk

LENGTH: 1368 words

HEADLINE: Higher Quota Urged for Immigrant Technology Workers

BYLINE: By ROBERT PEAR

DATELINE: WASHINGTON, Feb. 22

BODY:

Under pressure from Congress and the computer industry, the White House is seriously considering proposals to increase the immigration quota for computer scientists and other information technology workers, so that foreigners can fill thousands of job openings in this country.

The issue is extremely divisive. President Clinton and Vice President Al Gore want to placate friends in Silicon Valley, who say there is a critical shortage of technology workers, but they risk offending organized labor.

Under current law, employers can bring in up to 65,000 skilled foreign workers each year. The workers receive visas, known as H-1B visas, that last up to six years.

In 1997, for the first time, the Government issued the maximum number of such visas, and it expects to reach the limit again in May or June, several months before the end of the current fiscal year.

High-tech companies, which depend on foreign workers for essential services, have been lobbying the Administration to support an increase in the annual limits. They say there is an urgent need for Congress to act this year, and some lawmakers are eager to do so.

The initial, public response from the Administration was negative. In January, Commerce Secretary William M. Daley said, "This Administration does not support an increase in the caps on visas."

But confidential White House documents show that the Administration is seriously considering proposals that would increase the quota by 50 percent or more. The Administration contends that any increase should be linked to education and training and new protections for American workers.

One industry group, the Information Technology Association of America, sees "a severe shortage of competent and skilled information technology workers." It says there are 346,000 vacancies, representing 10 percent of all the jobs for computer programmers and engineers and systems analysts.

Harris N. Miller, president of the association, said, "The shortage threatens not only the information technology industry, but the growth of the entire U.S. economy, our global competitiveness and the wage stability that is the bedrock

immigration

The New York Times, February 23, 1998

foreign workers. The President's proposals would require employers to recruit Americans before importing foreign labor, would ban the use of foreign workers to replace laid-off Americans and would reduce the maximum stay for H-1B workers to three years, from six.

The memorandum to Ms. Kagan notes that "critics of raising the H-1B cap, such as the A.F.L.-C.I.O., the Institute for Electrical and Electronic Engineers and the American Engineering Association, say industry drastically overstates any problem."

Hal Ponder, a lawyer with the A.F.L.-C.I.O.'s department for professional employees, said organized labor opposed increasing the quota until there was more careful study of the problem.

"We question whether there is a shortage of information technology workers," Mr. Ponder said in an interview. "If there is a shortage, there are skilled workers in the United States who could meet that need."

Norman S. Matloff, a professor of computer science at the University of California at Davis, said that many technology companies were seeking cheap labor. As a result, he said, they prefer to hire recent graduates and foreign workers and often discriminate against American computer programmers over the age of 40, who are perceived as requiring higher salaries.

"Foreign nationals are willing to take lower salaries in exchange for the prospect of becoming permanent residents of the United States," Mr. Matloff said. "Even though they often earn less than U.S. citizens with comparable jobs, they still receive more than they would be paid back home in India or Russia."

The memorandum to the White House from the Departments of Labor, Commerce and State says: "The H-1B program seldom operates as a temporary worker program with workers coming to this country for a short duration and then returning to their homes. Instead, it operates often as a probationary employment program. Employers bring workers to the United States and, if they perform well, sponsor them for permanent admission to this country. This linkage permits employers to hire foreign workers without first recruiting U.S. workers."

Under this arrangement, the memorandum says, "U.S. workers are never provided a genuine opportunity to compete for these jobs."

Stephen H. Leven, director of human resources at Texas Instruments, said that most of the people hired by his company on H-1B visas were foreign citizens who graduated from American universities with degrees in electrical engineering.

"Employers expect to hit the H-1B ceiling as early as May this year," Mr. Leven said. "Once the cap is reached, companies will be unable to hire additional foreign workers until the new fiscal year begins in October. That will be devastating to U.S. companies seeking to bring new products to market."

In their memorandum to the White House, Administration officials said the industry's conclusion about a dire shortage of skilled technology workers was "not entirely accurate." While there seem to be shortages of technology workers in selected occupations and some local areas, the memorandum says, "wage data do not suggest acute skill shortages nationwide."

The New York Times, February 23, 1998

By contrast, the Information Technology Association of America says, "Our industry is facing a national labor shortage of historic proportions."

LANGUAGE: ENGLISH

LOAD-DATE: February 23, 1998

LEVEL 1 - 55 OF 133 STORIES

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Los Angeles Times

January 30, 1998, Friday, Home Edition

SECTION: Business; Part D; Page 1; Financial Desk

LENGTH: 1115 words

HEADLINE: CIGARETTE EXECS GET COOL RECEPTION AT HOUSE HEARING;
TOBACCO: THEY EXPRESS REGRET, PUSH FOR RATIFICATION OF LANDMARK SETTLEMENT. BUT
DEAL'S PROSPECTS HAVE GROWN CLOUDY.

BYLINE: MYRON LEVIN and ALISSA J. RUBIN, TIMES STAFF WRITERS

DATELINE: WASHINGTON

BODY:

Hoping to ensure the future of their business, the heads of the five biggest tobacco companies went before Congress on Thursday to try to persuade lawmakers that they have turned over a new leaf and will aid the fight against youth smoking if Congress ratifies the \$ 368.5-billion tobacco truce.

Although the executives were models of contrition and humility--going further than ever before in admitting that smoking is dangerous and addictive--they got a mostly frosty reception from the House Commerce Committee, an additional sign that the landmark tobacco deal is in deep trouble.

"In hindsight, I wish years ago I had the foresight to find common ground with our critics," said Geoffrey C. Bible, chairman of industry leader Philip Morris, who appeared with chief executives for RJR Nabisco, Brown & Williamson, Loews and U.S. Tobacco.

The executives made a peace offering, announcing that they would make public the 30 million pages of internal documents provided to attorneys for Minnesota in the state's anti-tobacco case being tried in St. Paul.

But committee members seemed to find little to like in the tobacco deal, which would protect tobacco companies from the most threatening lawsuits in return for curbs on tobacco advertising and huge industry payments to reimburse tobacco-related health-care costs and pay for anti-smoking programs.

Several members thought the deal was too soft on the industry, others found it too tough. But not one of the 30 committee members who spoke was willing to endorse it publicly.

"These CEOs may be messiahs to shareholders and market analysts, but I don't think they've won any converts on this committee," said Mary Aronson, a Washington-based legal and financial advisor.

She noted that Congress has not adopted proposals to limit liability for manufacturers generally, including respected consumer product makers. "If they didn't do it for the good guys, why would they do it for this industry--the

Los Angeles Times, January 30, 1998

one industry that everybody loves to hate?"

Reflecting the charged atmosphere of the hearing and the certainty of wide publicity, sources told The Times that tobacco executives had appealed to committee Chairman Tom Bliley (R-Va.) to forgo the procedure of swearing them in en masse.

Because of the criminal probe that followed, the picture of former tobacco chiefs with hands raised as they were being sworn in together at a 1994 hearing before a commerce subcommittee has become one of the enduring images of the smoking wars. With that in mind, the current crop of CEOs--all new since 1994--unsuccessfully pleaded to avoid a repeat.

"They would rather have appeared naked," said an anti-tobacco lawyer who attended the hearing.

Bliley refused to swear them in individually. "The chairman's response was we have standard procedures," a congressional source said. "The committee is not going to monkey around with those sorts of things."

It was at the 1994 hearings that industry leaders testified under oath that they did not consider nicotine to be addictive. Within days, documents leaked to Congress and the media from Brown & Williamson appeared to contradict their testimony.

The result was a Justice Department probe of perjury allegations, which has evolved into a wider investigation into whether the industry has defrauded consumers and public agencies.

But Bliley, who represents Richmond, Va., where Philip Morris is the largest private employer, continued to distance himself from the industry, which has given more in campaign contributions to him than any other member of Congress.

He told the CEOs that recent disclosure of R.J. Reynolds' documents describing efforts to market to teens "have shaken my confidence that your companies care about the truth."

"Four years ago, I was willing to give your companies the benefit of the doubt," he said. "Today the burden is on you."

As they seem to be at every turn, tobacco officials again were ambushed by new documents showing past efforts to sell to underage smokers. Rep. Sherrod Brown (D-Ohio) cited a memo from Lorillard, the tobacco subsidiary of Loews, on the popularity of its flagship Newport brand.

"The success of Newport has been fantastic during the past few years," according to the memo, which had been cited earlier in the week in the Minnesota court case. "The base of our business is the high school student."

Brown and Reps. Henry A. Waxman (D-Los Angeles) and John D. Dingell (D-Mich.) introduced a Philip Morris memo from 1975 that raised concern about the declining rate of sales growth among Marlboro smokers ages 15 to 19.

Questioned about a 20-year-old R.J. Reynolds memo about the need to "establish a successful new brand" in the 14-to-18-year-old market, Steven F.

Los Angeles Times, January 30, 1998

Goldstone, chief executive of RJR Nabisco, said he was troubled "as a chief executive and . . . as a father."

"I don't know what the rules of the game were" then, but it's "unacceptable today," he said. There is no one now who "would dare even think to do anything like that."

In a pitch for the settlement, Goldstone stressed the need for better relations between the industry and its adversaries. Makers of a hazardous product "need to cooperate with public health authorities," which he said is impossible when tobacco officials spend most of their time conferring with the lawyers defending them in court.

Four of the five CEOs said they believe smoking can be called addictive. "We recognize that nicotine as found in cigarette smoke under some definitions . . . is addictive," said Bible of Philip Morris.

Industry strategists are already conceding the possibility that the settlement will go down in flames, according to a memo introduced at the hearing. In the December memo, an industry public relations firm urged a massive advertising blitz, both to rally support for the deal and to serve as a possible "exit" strategy.

If the settlement dies, the industry will be able to show that it "made a legitimate offer and the politicians played politics and made a mess of it."

Several committee members criticized the Clinton administration for failing to send a detailed proposal on implementing the deal. If administration officials want comprehensive tobacco legislation as they say, "they have to get in the game," complained Rep. John Shimkus (R-Ill).

"If we thought sending up our own bill would increase the likelihood of a deal, we would do so," said Elena Kagan, deputy director of Clinton's Domestic Policy Council. "We don't think that right now; it's possible down the road that our calculation would change."

*

Times staff writer Henry Weinstein contributed to this report from St. Paul, Minn.

LANGUAGE: English

LOAD-DATE: February 28, 1998

LEVEL 1 - 56 OF 133 STORIES

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Los Angeles Times

January 29, 1998, Thursday, Home Edition

SECTION: Part A; Page 5; National Desk

LENGTH: 1372 words

HEADLINE: NATIONAL PERSPECTIVE;
LEGISLATION;
PROPOSED TOBACCO SETTLEMENT ISN'T SETTING CONGRESS ON FIRE;
SOME LAWMAKERS ARE BEGINNING TO GRAVITATE TOWARD A SCALED-BACK ALTERNATIVE TO
THE SWEEPING DEAL.

BYLINE: ALISSA J. RUBIN, TIMES STAFF WRITER

DATELINE: WASHINGTON

BODY:

When state attorneys general settled their lawsuits against the tobacco companies last June, their gargantuan agreement carried a small footnote: Its terms would not take effect unless Congress approved them.

Far from enacting the proposed \$ 368.5-billion settlement into law, Congress has since distanced itself from many of its specific provisions.

All that remains standing are the section headings: tougher Food and Drug Administration regulation of tobacco, limits on tobacco advertising and marketing, higher cigarette prices, antitrust exemptions and limits on future legal liability for the tobacco companies, and money to reimburse the states for tobacco-related health care costs.

But with little agreement on the fine print, even strong proponents of a sweeping deal are starting to float the idea that a scaled-back bill might be a good start. That could mean the multibillion-dollar settlement would likely go by the boards.

Veteran analysts of health care politics say the magnitude of the proposed tobacco deal and the number of different interests it touches put it at risk.

"I find it hard to see them pulling together a giant tobacco deal, getting all 50 states, the tobacco companies and all the consumer groups to sign on to it," said Tom Scully, president of the Federation of American Health Systems, which represents for-profit hospitals. "No matter how close you get to a deal, somebody is going to have a reason to blow it up."

Congress, split along regional as well as partisan and philosophical lines, cannot even agree on which of the settlement's goals--reducing youth smoking, punishing tobacco companies and reimbursing state and federal governments for the costs of treating people made ill by tobacco--should be paramount.

Los Angeles Times, January 29, 1998

Further complicating matters is that so many members of Congress want a piece of the action. In the Senate alone, at least seven committees claim jurisdiction over a portion of the legislation, and there is no plan in either chamber for how to glue together a bill.

The public health community, which until recently was split over whether to give the tobacco industry legal protections in exchange for massive payments for public health programs, is increasingly opposed to limiting the tobacco companies' liability in future lawsuits.

That isolates the tobacco companies and their workers, making them and the state attorneys general the major proponents of the proposed settlement.

"I don't think they the tobacco companies have any power in this place at all," said Rep. Tom DeLay of Texas, who ranks third in the House Republican leadership. "They are big contributors of mine . . . but this is something that would be very difficult for me to support."

The industry has kept largely silent in recent months, but today executives of the top five tobacco companies are slated to testify before Congress for the first time since 1994. They will push hard to refocus Congress on the deal that the companies worked out to settle lawsuits filed by 40 state attorneys general.

"It will be a chance for the nation to see that the top executives of the companies are serious about change and are serious about doing the right thing and have put a serious package on the table," said Scott Williams, an industry spokesman.

The White House, which is pushing hard for a comprehensive deal, fears that anything less could be too weak to effectively reduce smoking by children and teenagers.

"We shouldn't content ourselves with half measures that won't work," said Elena Kagan, deputy director of the Domestic Policy Council. "What we're worried about is that there is going to be a small bill and Congress will say, 'We've done tobacco legislation, . . .' and we won't have."

Leading members of Congress are not so sure.

"First of all, I'd like to pursue the overall settlement," said Sen. John McCain (R-Ariz.). "If that's not possible, then we could focus just on the . . . aspects affecting smoking by children and sidestep some of the divisive issues."

One of the strongest anti-smoking lawmakers, Rep. Henry A. Waxman (D-Los Angeles), said he too would consider more limited legislation. He underscored that the focus of any legislation had to be "making it harder for companies to lure children into smoking. . . . The other issues are harder to resolve."

Recent events both inside and outside Washington are further compounding the difficulties for Congress.

Congress is uneasy about moving ahead until it sees the outcome of a Justice Department criminal investigation of tobacco companies and a lawsuit by the state of Minnesota against the tobacco firms. Lawmakers fear that any new negative information about the tobacco industry could make their legislation

Los Angeles Times, January 29, 1998

appear inadequate.

"The industry wants us to walk across a minefield blind and hope one doesn't go off," said a Senate Republican leadership aide. "Members of Congress want politics to be a low-risk profession."

Then there is the maelstrom of controversy over President Clinton's alleged affair with a former White House intern, which has slowed the governmental pace in Washington to a crawl and, more important, may have damaged his ability to piece together a compromise. Analyst Gary Black of the Sanford C. Bernstein & Co. investment research firm, who initially set the odds in favor of enactment of a deal at 4 to 1, dropped them to even money in the wake of Clinton's troubles.

Most significant of all, many interested parties in the settlement reached last June between the state attorneys general and the tobacco companies find that the deal falls short. Here is where the toughest issues stand:

Immunity from lawsuits: This could hang up the whole deal.

Critics of the proposed settlement challenge the unprecedented grant of immunity to a single industry from future class-action lawsuits and the \$ 5-billion limit on cumulative annual damages the industry would pay in individual lawsuits.

"I cannot see any justification for this industry or any other industry to be given special protection against future wrongdoing," said Sen. Kent Conrad (D-N.D.).

But the tobacco industry says a deal without legal protections is no deal at all. "It is an unprecedented annual payout for an industry that has not paid a dime in punitive damages," Williams said. "Therefore it must have the civil liability protections it is seeking."

Clinton aides are being careful not to allow the immunity issue to scuttle an agreement. "Limits on liability are not necessarily a deal-breaker for us," Kagan said.

Teen smoking: Public health experts criticize the deal for not going far enough to reduce youth smoking. Teenagers will stop smoking, they say, only in the face of an immediate rise in cigarette prices--\$ 1.50 a pack or more--combined with unfettered FDA authority to regulate tobacco as a drug.

The settlement involving the attorneys general anticipated an increase of only 62 cents a pack over five years, according to an analysis by the Federal Trade Commission.

FDA regulation: The extent of FDA authority over tobacco is a highly complex issue that raises the specter that the agency could even go so far as eventually banning tobacco. Although no one has suggested that Republicans are particularly uncomfortable with allowing the FDA to dictate the content of a legal product.

Tobacco tax: Most current scenarios envision a government windfall from the tobacco industry through a penalty payment or a tax. Clinton is counting on raising \$ 65.5 billion over the next five years from the tobacco settlement,

Los Angeles Times, January 29, 1998

and he proposes spending the money on public health, child care and education.

Republicans are divided among themselves about how to spend the money. Possible beneficiaries are biomedical research, anti-smoking programs for young people and the Medicare trust fund.

Lawyers' fees: Republicans have failed repeatedly in their efforts to weaken the trial lawyers, who are big-time Democratic supporters, by capping damages in civil lawsuits. In the state tobacco lawsuits, the attorneys general hired trial lawyers to run their cases, and lawyers in some states are asking for more than \$ 1 billion in payments.

GRAPHIC: PHOTO: Heads of the nation's largest tobacco companies are sworn in during a 1994 congressional hearing. PHOTOGRAPHER: Associated Press

LANGUAGE: English

LOAD-DATE: February 28, 1998

LEVEL 1 - 57 OF 133 STORIES

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Newsday (New York, NY)

January 27, 1998, Tuesday, ALL EDITIONS

SECTION: BUSINESS; Page A39

LENGTH: 630 words

HEADLINE: DISCLOSURE OF TARGETING TEENS COULD SMOTHER SMOKING DEAL

BYLINE: Harry Berkowitz. STAFF WRITER

BODY:

As a Congressional committee prepares to grill the chief executives of seven tobacco companies Thursday, doubts are growing that a sweeping national deal aimed at cutting teen smoking will be turned into law this year.

Wall Street analysts say it's become a toss-up following recent revelations about marketing cigarettes to youngsters and amid a White House scandal that may weaken President Bill Clinton's ability to push tobacco legislation.

Furthermore, a key anti-tobacco activist who helped negotiate the June 20 deal - between tobacco companies and state attorneys general - has shifted focus and now stresses that it should be overhauled to be tougher on the industry.

"The longer people remain wedded to the exact terms of the June 20 agreement, the less likely that legislation will pass," Matthew Myers, general counsel of the Campaign for Tobacco-Free Kids, said yesterday.

Gary Black, an analyst at Sanford C. Bernstein & Co. who had been putting the odds of passage at 80 percent, says they have dropped to 50-50 following the recent disclosure of R.J. Reynolds documents. Those papers showed that for years the company tried to increase its market share of smokers as young as 14.

Those documents will turn up the fire this week when the House Commerce Committee questions the chiefs of RJR Nabisco, Philip Morris and other companies, analysts say. The same executives will testify Feb. 24 before the Senate Commerce Committee, which is sending the White House a list of 100 questions about the possible details of legislation.

Neither political party wants to end up looking like it is being soft on the industry, which is eager for the deal's protections from class-action suits and punitive damages from individual suits.

"The industry will admit things and try to show it's turned over a new leaf," Black said.

That would be a contrast to a 1994 hearing by the House Commerce Committee at which seven top tobacco executives, all of whom have since left the companies, denied nicotine is addictive and were assailed mainly by Democrats.

Newsday (New York, NY), January 27, 1998

"These are new leaders of these companies," said Scott Williamson, an outside spokesman for several companies. "They are different people and they have made a public commitment to dramatically change the way tobacco is marketed and manufactured in the United States."

The legal protections are key for the industry.

"According to the Senate leadership, the anti-tobacco forces are not willing to give immunity to the tobacco industry," said Oppenheimer & Co. analyst Roy Burry. "That will stall the deal so long that it will not pass this year."

Clinton's ability to steer the legislation will be critical. "People perceive that he is the only one who can get the reluctant Republican Congress to pass this," Black said. He said the deal, which was supposed to cost the industry \$368.5 billion over 25 years, may be toughened to yield \$550 billion.

As for criticism that Clinton has not specifically spelled out what tobacco legislation should look like, White House advisers say providing a detailed plan at this point - rather than working with Congress to shape one - could backfire.

"If we thought that providing specifics would increase the likelihood that Congress would enact this, we would provide specifics tomorrow," said Elena Kagan, a White House deputy domestic policy adviser. "But it might in fact detract from the likelihood of enactment."

Instead, in his State of the Union address tonight, Clinton is expected to stress the importance of tobacco legislation without getting more specific.

In the possible absence of a tobacco package backed by the industry, some legislators are pushing for a sharp increase in cigarette taxes and other measures as a substitute.

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M2 PRESSWIRE November 25, 1997

Secretary Shalala, I thank you and your staff for your remarkable work on this. And I thank the members of the White House staff, all the members of Congress who are present here. And especially I thank Senators Rockefeller and Chafee and Congressmen Camp and Kennelly for their work and for what they said here.

Congratulations to the Adoption 2002 Excellence Award winners. I thank all the advocates who are here. And I say a special word of thanks, along with all the others who have said it, to the First Lady, who has been passionately committed to this issue for at least 25 years now that I know. Thank you, Governor Romer, for coming. And thank you, Dave Thomas, for what you've done.

Again let me say to all the members of Congress who are here, Republicans and Democrats alike, I am very grateful for what you've done. This, after all, is what we got in public life for, isn't it? Before I make my brief remarks, if you'll forgive me and understand, I have to make one public statement today about the situation in Iraq.

As I have said before, I prefer to resolve this situation peacefully, with our friends and allies, and I am working hard to do just that. But I want to be clear again about the necessary objective of any diplomacy now underway. Iraq must comply with the unanimous will of the international community and let the weapons inspectors resume their work to prevent Iraq from developing an arsenal of nuclear, chemical and biological weapons. The inspectors must be able to do so without interference. That's our top line; that's our bottom line. I want to achieve it diplomatically. But we're taking every step to make sure we are prepared to pursue whatever options are necessary. I do not want these children we are trying to put in stable homes to grow up into a world where they are threatened by terrorists with biological and chemical weapons. It is not right. (Applause.)

It's hard to believe now, but it was just a little less than a year ago when I directed our administration to develop a plan to double the number of children we move from foster care to adoptive homes by the year 2002. We know that foster parents provide safe and caring families for children. But the children should not be trapped in them forever, especially when there are open arms waiting to welcome them into permanent homes.

The Adoption and Safe Families Act, which I am about to sign, is consistent with the work of the 2002 report and our goals. It fundamentally alters our nation's approach to foster care and adoption. And fundamentally, it will improve the well-being of hundreds of thousands of our most vulnerable children. The new legislation makes it clear that children's health and safety are the paramount concerns of our public child welfare system. It makes it clear that good foster care provides important safe havens for our children, but it is by definition a temporary, not a permanent, setting.

The new law will help us to speed children out of foster care into permanent families by setting meaningful time limits for child welfare decisions, by clarifying which family situations call for reasonable reunification efforts and which simply do not. It will provide states with financial incentives to increase the number of children adopted each year. It will ensure that adopted children with special needs never lose their health coverage - a big issue. Thank you, Congress, for doing that. It will reauthorize federal funding for timely services to alleviate crisis before they become serious, that aid the

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reunification of families that help to meet post-adoption needs. With these measures we help families stay together where reunification is possible and help find safe homes for children much more quickly when it is not. We've come together in an extraordinary example of bipartisan cooperation to meet the urgent needs of children at risk. We put our differences aside, and put our children first.

This landmark legislation builds on other action taken in the last few years by Congress: the Adoption Tax Credit I signed into law August to make adopting children more affordable for families, especially those who adopt children with special needs; the Multiethnic Placement Act, enacted two years ago, ensuring that adoption is free from discrimination and delay, based on race, culture, or ethnicity; and the very first law I signed as President, the Family and Medical Leave Act of 1993, which enables parents to take time off to adopt a child without losing their jobs or their health insurance.

We have put in place here the building blocks of giving all of our children what should be their fundamental right - a chance at a decent, safe home; an honorable, orderly, positive upbringing; a chance to live out their dreams and fulfill their God-given capacities.

Now, as we approach Thanksgiving, when families all across our country come together to give thanks for their blessings, I would like to encourage more families to consider opening their homes and their hearts to children who need loving homes. You may not want to go as far as the Badaeus have - (laughter)

- but they are a shining example of how we grow - (applause) - they are a shining example of how we grow when we give, how we can be blessed in return many times over. We thank them and all - all of the adoptive parents in the country.

For those who are now or have been foster or adoptive parents, I'd like to say thank you on behalf of a grateful nation, and again say at Thanksgiving, let us thank God for our blessings and resolve to give more of our children the blessings they deserve.

Thank you very much. (Applause.)

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November 25, 1997

LENGTH: 1948 words

HEADLINE: THE WHITE HOUSE

Remarks by the President and First Lady at Adoption Bill signing

HIGHLIGHT:

The East Room

BODY:

MRS. CLINTON: Thank you and welcome to the East Room. Please be seated. We are delighted to have all of you join us today for this very important event and one that many of you in this room have worked for and looked forward to for many years.

There are some people that I would like to acknowledge and introduce before we get started. You will hear from the four members of Congress who are here on the stage, Representative Kennelly, Representative Camp, Senator Chafee and Senator Rockefeller. Also attending are Senator Craig, Senator DeWine, Senator Landrieu, Representative Levin, Representative Oberstar, Representative Maloney, and Representative Morella. And I'd like to ask all the members of Congress to please stand. (Applause.)

This was truly a bipartisan piece of legislation. It could not have been passed without the strong support of the members whom you see, including the sponsors who are here on the stage. It was also a work that was very much in the heart of Secretary Donna Shalala and her team from HHS - Richard Tarplin, Mary Bourdette, and Carol Williams. And I'd like to ask the Secretary and her team to stand please. (Applause.)

There were also a number of members of the White House staff who worked very hard with members of Congress and with members of the HHS contingent, and I'd like to acknowledge just a few of them - John Hilley, Bruce Reed, Elena Kagan, and in particular Jen Klein and Nicole Rabner. I want to thank all of them. (Applause.)

I'm also pleased that we have Governor Romer of Colorado. We have children, families, advocates, and leaders of the child welfare constituency here in our audience.

Nearly a year ago, the President and I met with children waiting in the foster care system for caring families to call their own. There the President pledged to reform the child welfare system to work better for the children it serves, to put their health and safety first, and to move children more quickly into safe and permanent homes. Today we as a nation make good on that pledge. And for the thousands of American children who wait for a stable, loving home that will always be there, it is not a moment too soon. Right now there are nearly half a million children in foster care. For most, foster care is a safe haven on the road to a permanent home or back home. Too many, however, make countless detours along the way, shuffling from family to family without much hope that they will ever find permanent parents to love and take care of them. These children who will enter this holiday season unsure about whether the

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family they celebrate this year will be there with them next year deserve better.

We know it makes a difference for children to have permanent loving homes. It's not only research that tells us this; we know it by our intuition, by our own experience and we have all seen it firsthand. It was here in this room two years ago that a young woman named Deanna - a child waiting to be adopted in foster care stood up and read a poem about what she wanted in life, and it wasn't real complicated. It is what all of us want. I'm happy that because of that event here in the East Room, she was able to meet a family who did adopt her. And I saw her last year at an event in Kansas City and almost didn't recognize her - from a shy, withdrawn 13-year-old, she had blossomed into a cheerful, outgoing, confident teenager with a brilliant smile.

This landmark legislation that the President is about to sign will see to it there are more stories like Deanna's. This legislation stands as proof of what we can accomplish when we come together. As we see today, the national government does have an important role to play in reforming our foster care system, and giving guidance to courts and states in offering incentives to speed up and increase the numbers of adoptions, and in making sure that the health and safety of our children is always the first priority.

But we know even more, all Americans have a role and a responsibility. Businesses can make it easier for their employees to adopt a child. And I want to single out Dave Thomas of Wendy's, who has led the way in showing all of us how that can be done. (Applause.)

Religious leaders can help spread the word about the joys of adoptions. Parents thinking about adoption can expand their search to reach out to kids in foster care. And if we reform the system so that it works the way that it should, more Americans will look to American children to adopt and not feel compelled to go overseas to adopt children. (Applause.)

With us today are some extraordinary Americans who have answered this call. This morning, the Department of Health and Human Services observed National Adoption Month by honoring outstanding achievements with the 1997 Adoption 2002 Excellence Awards. Secretary Shalala developed these awards at the request of the President. The winners are dedicated individuals and organizations, both large and small, who have worked to move children out of the foster care system and into permanent, loving homes. Some of them have been at the forefront of this issue for years; some have promoted and supported adoption in their communities; and some are parents who have opened their homes and hearts to our nation's most vulnerable children.

I'd like to ask all the honorees who were honored this morning to please stand. (Applause.) We want to thank you for the work you have done, for the example you have set. And we hope that through these awards, in conjunction with this legislation, there will be many, many more in your ranks in the years to come.

THE PRESIDENT: Thank you, Sue Ann. Thank you, Aaron (phonetic). And I want to thank the Badeau family for showing up. I think it's fair to say it was a greater effort for them than for anyone else here. (Laughter.) I appreciate the rest of your presence. It was easier for me than anybody; I just had to come downstairs. (Laughter.) But I'm grateful that they're here.

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Secretary Shalala, I thank you and your staff for your remarkable work on this. And I thank the members of the White House staff, all the members of Congress who are present here. And especially I thank Senators Rockefeller and Chafee and Congressmen Camp and Kennelly for their work and for what they said here.

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November 21, 1997

LENGTH: 6008 words

HEADLINE: THE WHITE HOUSE

Press briefing by E Bowles, S Berger, F Raines, G Sperling, J Yellin, and E Kagan

HIGHLIGHT:

The Briefing Room

BODY:

MR. BOWLES: I'm going to talk a little bit about the situation in Iraq and we'll take some questions. I think Gene Sperling and Janet Yellin and the Budget what we have accomplished this year and the events of the last week, and then Sandy is going to come up and talk a little bit about the situation in Iraq, and we'll take some questions. I think Gene Sperling and Janet Yellin and the Budget Director and Elena Kagan are all here to take questions on your behalf.

In thinking about this last year, I thought when I came in a little while ago, I thought of my good friend, Dean Smith back in my beloved North Carolina some of the great teams that he's put together over the years, and I remembered one team he had that went 28 and 4. The team practiced hard, they worked hard together, they accomplished some great results and they got to the Final Four and they lost that last game by two points at the end of the game.

And at the end of that game, the team was disappointed, some of the fans and the critics were disappointed. But I think after the game and after things settled down and they reflected on what had gone on during the entire year, they all decided it was a good year and a year they could be proud of, and they looked forward to keeping the team together and practicing hard and coming back next year and seeing if they could win some of those games and beat some of those teams they lost to during the year just completed.

I think it's fair to say that we did have a good year this year. It was a year of progress and achievement. It's also been a year of true bipartisanship and cooperation, and it's a year in which many of us banded together to prepare our country for the 21st century.

I know a number of you want to talk about the hits and misses that occurred during the last week and I promise you we'll get to those and I'll take those questions, but let me talk about briefly some of the things we have accomplished during the last year.

Back in February, the President laid out a clear, ambitious call to action in his State of the Union Address for the second term, and as the Congress is now adjourning, I think the record is clear that we have accomplished a great deal. I would begin with the accomplishment of achievement of the first bipartisan balanced budget in a generation that will produce real savings in excess of \$900 million. That budget was achieved with some real tax cuts for hard-working middle class families at the times when the need it the most, when they're raising their kids to pay for education, when they're buying or

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selling a home and saving for retirement.

We also achieved the largest increase in education funding in 30 years. We did this by vastly increasing the money that's being made available for early childhood programs to prepare our kids so they're ready to enter school ready to learn, and also through the expansion of the America Reads program and the establishment of high national standards for 4th grade reading and 8th grade math, so that when our kids graduate from high school, they'll graduate with a diploma that means something and also with the availability now of increased Pell Grants and with the tuition tax credit and with the HOPE Scholarships, that additional two years of education will be universally available, which was a goal the President outlined in the State of the Union.

We also came forward this year with the largest increase in health care for children since Medicaid in 1965, making it possible for as many as 5 million additional kids to have health care insurance - kids that don't have insurance today - through an unprecedented \$24 billion for children's health care. We also were able to get forward and pass some critical long-term entitlement reform by taking out and extracting about \$400 billion to \$450 billion worth of savings in the Medicare program that extends the life of the Medicare Trust Fund out for 10 years, and we also established a Medicare Commission, which will allow us to address the long-term structural problems associated with Medicare.

Sixth, we were able to pass provisions that will enable us to move 2 million people from welfare to work and also to restore basic health and disability benefits to legal, law-abiding immigrants, something that the President had promised to do prior to the beginning of this year.

We also took concrete steps forward to preserve the environment, to clean up over 500 toxic waste dumps, and with our Brown Field tax initiatives to redevelop 14,000 contaminated sites within our inner cities. We also were able to get through ozone and particulate matter regulations which will go a long ways toward improving the health of our children, and the U.S. came out with a very strong position on global climate change.

On the foreign policy front, I think we also have a great deal that we can be proud of. We did ratify the Chemical Weapons Convention. We were able to extend normal trading relations with China. We strengthened the NATO Partnership for Peace through the signing of the NATO-Russia Founding Act and by offering membership in NATO to Poland, the Czech Republic and Hungary.

We also negotiated the Information and Technology Agreement and the Telecommunications Agreement on shackling over \$500 billion in trade in sectors where the U.S. already has a very dominant position, and we launched the Africa Free Trade Initiative.

There are also several areas where we did come up short. While we accomplished a great deal, there were four basic areas that we did not reach the potential that we had hoped to. The first was clearly the renewal of fast track trading authority. We did have strong opposition by some members of the Democratic Party, and we also had opposition from some members of the Republican Party who linked their trade vote to international family planning.

We have had a temporary setback there. We do plan to come back next year, hopefully in February, with a bill that can achieve broader bipartisan

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support. This is something that the President truly believes is critical to the future economic well-being of this country.

The second area where we fell short was in the passage of real campaign finance reform. The Republican congressional leaders blocked the McCain-Feingold bill from coming to a vote. Thank goodness Senator Tom Daschle, the Minority Leader, was able to extract a pledge from Trent Lott to have a clean up or down vote on this measure before March 6th of 1998, so this is another portion of where we fell short. We'll be able to fight the battle again at the beginning of next year.

Third, we were not able to enact a strong juvenile justice bill, which we had hoped to do this year. However, the President was able to use his executive power to make some progress on this central piece of legislation. Many of you may remember that we were able to issue a directive to all federal agencies requiring child safety locks to be issued with every handgun, and we also reached an agreement with eight major handgun manufacturers to provide child safety locks with each handgun that's sold.

And lastly, just the day before yesterday, we were set back in our efforts to attain funding for U.N. arrears and for the new agreements on barring through the IMF - again, another area where we plan to go back in early February to meet with the Congress and try to see if we can bring this to a successful conclusion.

I think that summarizes what we were able to achieve, where we felt we fell short, and some of the areas where we did fall short and hope to go back on at the beginning of next year. Sandy is now going to come up and take -

Q How about the nominations that have been set back, Surgeon General and civil rights?

MR. BOWLES: There are a number of nominations which didn't come through - you just mentioned two - that we have great concern on. We believe that Mr. Satcher will be confirmed to be the Surgeon General at the early part of next year. We believe that Bill Lann Lee is highly qualified to be Assistant Attorney General for Civil Rights. He certainly has a record of clear integrity. This is a man who has spent his entire life fighting for civil rights. It is someone that the President supports and supports strongly. We believe this man deserves a vote, but I assure you he will be the next Assistant Attorney General for Civil Rights.

Q Without a recess - are you saying that the recess

-

MR. BOWLES: I assure you, he will be the next Assistant Attorney General for Civil Rights.

Q Well, can we make this quantum leap and say there will be? (Laughter.)

MR. BOWLES: Well, we hope he'll get a vote.

Q Mr. Bowles, do you believe that Congress is playing by the rules with all of these appointments?

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MR. BOWLES: Well, I think - you know, yes, they're playing by their own rules. Whether or not we like those rules is another subject. I think the job they have done with Bill Lann Lee is disgraceful. I am deeply disappointed with their effort as it relates to appointing judges. As you know, I have spent my entire life trying to bring people together. I think I am known as a relatively reasonable person with working with both sides, but I think the job they have done with judges and with our Assistant Attorney General for Civil Rights is just plain wrong.

Q What are you going to have to do differently, do you think, to get the fast track passed in the spring?

MR. BOWLES: I think we have to do a number of things. We have already started doing those. We have been reaching out to members of both sides, trying to talk about ways that we can make some modifications in our bill so that we can come forward with a bill that can get broader bipartisan support. We just fell very - you know, we were very, very close this time and we think we can make the kind of modifications that will allow us to come back and get it passed in February.

Q Even with those modifications -

MR. BOWLES: I would rather spend some time talking with the members of Congress, doing our homework, being properly prepared, going out to the people and generating some additional support in the country, and then come forward a little later on and tell you exactly how we would modify the bill in order to achieve the support we need to get it passed. But it is critical that we get it passed. As you look to the future, one-third of the growth that we have had in the past has come from exports. In the future, world trade is expected to grow at three times the rate of the U.S. economy. Ninety-six percent of the world's customers are not here. We have got to bring down these trade barriers so that we can compete on a level playing field with our competitors in Japan and Europe.

Q Are you going to be around to push it?

Q Dean Smith retired. Are you planning to do the same?

MR. BOWLES: What's that?

Q Dean Smith retired. Are you planning to do the same? Are you going to be here next year?

MR. BOWLES: I am going to be here as long as the President wants me to stay.

Q Erskine, the fast track debate revealed not only some differences of principle over trade between House Democrats and the White House, but there are also a lot of signs of personal resentment and tension and a lot of ill will on their part or feelings that they weren't appreciated here, the larger relationship between House Democrats and the White House is what I'm talking about. How much of a concern is that to you and the President, and is there anything you plan to do about it?

MR. BOWLES: I think some of that has been overblown, John. I think if you look at the votes that we've had this year, whether it is in the balanced

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budget where we had between two-thirds and three-quarters of the Democrats voting with us, if you even look at the trade issue where it passed with the majority of Democrats in the Senate where it had the support of the majority of governors, the majority of the mayors, if you look at our positions on education, on health care, on welfare to work, on any number of issues, on tobacco, on some of the issues that we will face next year, I think you can see that there is broad consensus among the Democratic Party.

Only in the area of trade, I believe, and I think it is a very distinct area, has there been somewhat of a schism. And what we are going to try to do over the next couple of months is work hard to make sure we bring ourselves together so that we can have a bill that gets broader bipartisan support.

Q Erskine, why weren't you able to at least round up votes in the new Democratic Caucus? It seems of all the Democrats who should have supported free trade, you would have been able to round up all those votes.

MR. BOWLES: Karen, I hope that we can do a better job in rounding up support for it as we go forward. We were able to get about a quarter of the Democratic Caucus to come forward and support it. We hope if we can make some modifications to the bill that it will make it more acceptable to a larger number of Democrats and we can get their support.

Q Erskine, you were talking about the IMF and how you might try and take care of this next year. There are some crises going, however, in Asia that might prevent you from being able to do that. Yesterday they said Capitol Hill estimated it would require about \$50 billion to bail out Korea if that becomes necessary. So if they just cut off part of your IMF funding, will that force you to use the currency stability fund?

MR. BOWLES: In the discussions I have had with Secretary Rubin and Deputy Secretary Summers, they feel comfortable that we can manage the problems that we now face and we expect to be able to go back in the first part of the next legislative session and, hopefully, secure the funding for the IMF and, in addition, get the funding that we need for the U.N. arrears. Both of these should have passed this time. I think the fact that they were linked to international family planning just makes no sense whatsoever.

Q Erskine, you said that you are looking to alter the bill that was out there. Are you looking at this point in offering a broader bill or might you do - what is the likelihood that you do a fast track bill that is more narrowly tailored to a specific idea such as a treaty with Chile?

MR. BOWLES: We haven't made a decision on that yet.

Q Erskine, the President -

Q Back to Bill Lann Lee - you were saying that he is going to be the next civil rights enforcer and you say unequivocally. But are you kind of fearful - is the White House fearful that there could be some retaliatory measures from Congress if there is a recess appointment?

MR. BOWLES: This is a matter that the President believes in strongly. He has supported the principle of civil rights his entire career. Bill Lann Lee is somebody who is qualified, who deserves to be Assistant Attorney General for

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Civil Rights, who will make a great representative for this country, and he should be and he will be.

Q So you're not fearful of congressional retaliation?

MR. BOWLES: No.

Q Erskine, the President started out the year with a very strong call for bipartisanship that prevailed through part of the year - Bill Lann Lee and so on. Has bipartisanship totally broken down in Congress?

MR. BOWLES: No, and I think there is a good deal of opportunity for additional bipartisan efforts, whether it's in the international area or whether it's on selected domestic issues.

When we can put together a bipartisan coalition, we want to do that. We think that's in the best interest of the American people. They want to see us get things done and not just talk about things. I think if you look at that laundry list of issues that I went through, whether it was achievement of some real fiscal responsibility in this country, whether it was in the area of education, whether it was in the area of environment, whether it was in the area of moving people from welfare to work, tax relief for middle class families, there was broad bipartisan support for each one of those, and we worked hard to achieve that.

Q When your appearance was billed here, we were told that you were also going to project what the President would be seeking in the future. In addition, I suppose, to fast track, are there any new initiatives?

MR. BOWLES: I think there are a number of things that you can expect to see us working on as we go forward. First, we do want to make sure that we do open up markets for U.S. goods, so we will come back with some fast track legislation. Secondly, we are going to work again to have some real campaign finance reform. Thirdly, we will work again to pass a strong juvenile justice bill. We do want to secure the U.N. arrearages into funding for the IMF.

In the area of new things that we'll be exploring, I think you will look at us trying to advance our education agenda, stressing the importance of high national standards and infrastructure needs that our schools face today. I think you'll see us working on a consumer bill of rights. You'll see us very active with the tobacco legislation. I think you'll see us moving forward with health care and pension portability, child care initiatives, reforming the Medicare and Social Security needs of this country and trying to solve a structural long-term areas of

- let me bring Sandy up because he's got to leave in just a minute, to talk to you a little bit about -

Q Reform of the tax code - you know, are you settled?

MR. BERGER: Are there any questions? I have a long statement here about accomplishments in the foreign policy area, but let me answer some questions.

Q Sandy, one thing. With the President's diplomacy, is it your sense that the problem here and that what the President and the administration has to do

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is convince everybody else in the world that Saddam is as big a threat as you apparently believe he is?

MR. BERGER: No, I think the international community has spoken quite clearly over the last two days. And First, the U.N. Security Council resolution, than last night in the unanimous statement after he decided to throw out the Americans - UNSCOM inspectors - indeed, in practical effect, all of the inspectors. So I think there is a clear base of understanding in the international community that this is a threat, that he has the - certainly has demonstrated the intent to use these weapons, and if he has an unfettered capacity to do so, it's a threat not only to his neighbors but to the world. And we are now engaged in talking, consulting with our allies and friends on how we intensify the pressure on Saddam Hussein to get the same message.

Q Well, isn't there disagreement, though, on how much pressure should be exercised and whether or not it's worth going all the way?

MR. BERGER: I think there is a clear feeling on the part of the international community that this is a threat, this is a serious matter, that this poses a risk to the region and a risk to the world, and I'm not going to speculate on where - what steps may proceed.

Q The military moves are fairly obvious for us to gauge. They say we're moving a second carrier in. The diplomatic moves are harder for us to ascertain. Can you tell us what it is that precisely that you're trying to accomplish, what the Secretary of State is trying to accomplish, what the President is trying to accomplish, when we call France or Russia or Great Britain or whomever?

MR. BERGER: We are consulting with our allies on how we intensify the pressure on Saddam Hussein and what should take place if he doesn't reverse himself.

Q Sandy, is it a concern that everything that can be done to Saddam has been done? He's lived through sanctions for six and a half years, we've hit him repeatedly with air strikes, and none of this has done much good.

MR. BERGER: Well, I think that's - I'm not sure I accept that judgment. The fact is that Saddam has been kept in a box, in a sense, for this six-year period. The sanctions, which are the most pervasive sanctions every imposed on a nation in the history of mankind, have cost his country \$100 billion. Now, every year or so, Saddam Hussein tries to break out of that containment box, either by moving toward the south as he's done in some instances, moving in the north as he's done in other instances; in this case, throwing out the international inspectors. And what the international community has to do is to be, once again, absolutely clear and firm that is not acceptable behavior - that he remains a threat and the only way out for him is to come into compliance.

Q But if I can follow up on that, the point of the question is, there isn't much more we could do at this point.

MR. BERGER: Well, I think that we have, as I said before, we have maintained for six years, since the end of the Gulf War, we have kept Saddam Hussein contained. We have done an enormous amount to destroy his weapons of mass destruction through UNSCOM. We have stopped him when he has tried to move again towards Kuwait. And I think we have to - this is going to be a long-term

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enterprise on the part of the international community to assure that he does not, once again, become a threat to his neighbors or a threat to the region or a threat to his own people.

Q Is it long-term U.S. policy - not U.N. policy, but U.S. policy - to see Saddam removed from power, and is there any possibility of using this current crisis to achieve some more long-term resolutions so that we don't have this sort of episodic annual round of crises?

MR. BERGER: Well, it is American policy to assure that the very least he is not a threat to his neighbors or a threat to his own people. That policy has more or less been successful over the last six years. And I think we have to be prepared when he tries, as he has in a very insidious way in this case to break out of that box to make it very clear that is not something that we'll tolerate.

Q Just to follow up on John's question. Did the President intend to kind of move the goalposts this morning when he said that the sanctions will be kept in place as long as Saddam is in power, as long as he lasts, as he put it? Is it his opinion that the sanctions will not be lifted ever as long as Saddam is in power, whatever he does, even if he were to comply?

MR. BERGER: Let Saddam Hussein come into compliance, and then we can discuss whether there are any circumstances.

Q But, Sandy, for the record, can you say from this podium that if he were -

MR. BERGER: It has been our position consistently that Saddam Hussein has to comply with all of the relevant Security Council resolutions for the sanctions.

Q But can you say for the record, that were he to comply - I know that the point is moot for you at this point, but were he to comply with the sanctions, the U.S. would not block the U.N. from lifting the sanctions?

MR. BERGER: I don't think under these circumstances, when he is blatantly out of compliance it is the right time for us to talk about how we lift the sanctions. We're not going to negotiate lifting the sanctions at a time when he is in blatant disregard, not only of the sanctions, but also of the Security Council resolutions.

Q It's not a matter of negotiating, it's a point that we're asserting what is in the resolution. They said that if he complies - that he has complied, the sanctions would be lifted. Is it the U.S. position right now that they would be lifted, or would you oppose such a move?

MR. BERGER: It has been the U.S. position since the Bush administration that Saddam Hussein has to comply with all of the relevant Security Council resolutions.

Q Not to belabor a quote, but what the President said is what he has just done is to ensure that the sanctions will be there until the end of time, or as long as he lasts.

MR. BERGER: Well, that's right. That's not inconsistent with what I've said. In other words, there's no way -if he's got to be in compliance, he can't be in compliance if he's thrown the UNSCOM people out. So it's a necessary

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condition; it may not be a sufficient condition.

He certainly cannot come into compliance when he's thrown the U.N. inspectors out. And as long as they're out, there's no way we can have an argument about whether he's in compliance.

Q As the President's National Security Advisor, how concerned are you and how concerned ought the American people be about the fact that we are now, for all intents and purposes, blind in Iraq to what he can do with those weapons of mass destruction?

MR. BERGER: Let me put it this way. I don't believe that he can redo - the UNSCOM inspectors have been extraordinarily successful over the last six years, and a large portion of Saddam's weapons of mass destruction have been identified and destroyed. I don't believe that he can redo in a few weeks what UNSCOM has destroyed over six years. But certainly, left to his own devices over a long period of time without international inspection, it is a danger.

Q Sandy, could you reassure the public that the United States has the intelligence and the military capacity to destroy Iraq's ability to deliver weapons of mass destruction, or are we limited in what we can do even if we wanted to?

MR. BERGER: I don't think it's appropriate for me to talk about what our military capacity is or not. I think that's a mistake.

Q Sandy, have you made any headway with -

Q What would the justification be - Mike McCurry said again here today that although you and the President, Madeleine Albright are all working trying to get support from allies, support from the U.N., if necessary, the President could act unilaterally and he could do so legally? Can you explain that? Would it be because any nation has a right to protect itself and could the President argue that Saddam Hussein is a threat to the United States?

MR. BERGER: There is a body of U.N. Security Council resolutions that go back for six years which, in our view, confers all the authority that we would need. But obviously, it is our first preference to resolve this without - by diplomacy and peaceful means, and that's what we are engaged in over the next several days in terms of trying to work with our allies, some of whom have more contact with Saddam Hussein than we do, to make it clear that the international community is resolute with respect to this breach.

Q How can the French government make itself useful to the international effort at this point? What would you like to see from Paris?

MR. BERGER: I think the government of France, as other governments, need to convey - hopefully will convey and I believe have conveyed to Saddam Hussein that he is totally outside the realm of any kind of acceptability from the international community when he throws out these inspectors, and that the only way that he can get back into any kind of dialogue with the international community is by coming back - by allowing those inspectors back.

MR. TOIV: We still have Gene Sperling, Frank Raines, Janet Yellin and Elena Kagan here to answer any further questions about the year-end report.

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MR. MCCURRY: Why don't you all come up?

Q How are you coming along in preparing the budget for the next -

DIRECTOR RAINES: We are in the process now of reviewing the proposals from the agencies and the President will be making his decisions in December for the 1999 budget.

Let me say one thing in following up what Erskine said. The President presented his budget in February. Since that time, 15 very important bills have passed to implement that budget: the tax cut bill, the balanced budget bill and 13 appropriations bills. And just as the President said, that his plan presented in February would lead us to a balanced budget, indeed, it will lead us to a balanced budget, and just as he said that it would implement his priorities, indeed, through that, those 15 bills that Congress has enacted on a bipartisan basis, the President's program has, in fact, been enacted whether you look at education, or you look at the support for families in raising their kids, or if you look at the environment, you will see that the President's program has been enacted.

The important part of this isn't simply that we said so in February, but if you look one year ago, one year ago, the conventional wisdom was that the struggle with the Republican Majority where we were so far apart on priorities, would inevitably lead to a clash and no results. And if it didn't lead to a clash, it would lead to the President having to retreat from his priorities and principles.

But if you match up the President's budget and the Republican plan of last year to what has actually happened, case after case, what the President has proposed has actually been enacted into law, so we're no longer at the stage of speculating as to whether or not we could achieve this. In fact, through the enactment of 15 separate bills, the President's plan is now the law of the land.

Q Speaker Gingrich yesterday said he wouldn't be surprised if the President embraces eliminating the marriage tax penalty. Given the White House is looking at the budget surplus and ways in which perhaps the tax code could be changed, is that one option that you're entertaining?

DIRECTOR RAINES: As all of us have tried to say, that we don't want to spend a surplus before its time, so we would prefer to see any surplus arrive before we had conclusions on how to spend it. But we are looking, as part of this policy process - and this is the National Economic Council as well as OMB and the Council of Economic Advisors - at a broad range of policy initiatives that the President can address in his State of the Union Address and in his budget. And so we're looking at a broad range of things, and I think that just as people were impressed by the array of proposals that he made this last January, I think they'll be impressed by his state of the union speech this coming January.

Q - issue in terms of tax fairness?

DIRECTOR RAINES: Well, there are a lot of issues in our tax system that the President has spoken to. We have managed to deal with several of them in terms of the incentives in the tax system for education and for raising kids. But there are issues of tax equity that he is quite concerned about, and he has asked all of us to look at those issues as well as the issues of long-term

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entitlements to see what kinds of proposals we can make now to move closer to resolution on those issues.

Q When do you submit the budget?

DIRECTOR RAINES: First week of February.

Q You all are here for a reason, I wonder if I could get somebody - Mr. Raines or Gene to simply deal with this unspoke, unasked, but answer a lame duck question straight up, because that's what this is all about, I assume. What's your impression of those assessments? The fast track signaled the end of all this success. Now we're into a different kind of a period.

DIRECTOR RAINES: Well, I'm sort of the new guy here, but I remember when I was appointed to this office people asked me why are you going in there. This was last April. And they said he's a lame duck, isn't he? The President - we've got a Republican Congress - how in the world can anything happen.

I would just hold up the last year as testament that anytime anyone calls this President a lame duck, he seems to have a very good following year; so I'm not concerned about that. We have an enormous - an enormous opportunity to pursue the President's program, and I expect we'll be as successful in this coming year as we were in the last year.

This past year has probably been the largest change in fiscal and domestic economic policy that we've seen in 30 years. And we're seeing the results in the economy that continues to grow and produce jobs at low inflation. We're seeing the results in improved fiscal policy, lower deficits. I think we couldn't have seen a better year and I expect that we'll continue to see one. This is an opportunity for this entire administration to continue to produce. Indeed, I think if we focus on the 15 bills that I mentioned

- and there could be another 15 I could have mentioned that are not appropriations bills - you would see this is one of the most productive sessions of Congress that we've had in a long time.

Q And you're staying on?

DIRECTOR RAINES: Me? Oh, absolutely. What else would you do other than be OMB Director?

Q Well, there are so many rumors every other day that you're leaving.

DIRECTOR RAINES: Me? No. I think you - you're confusing me with somebody else.

Q No. I know you. (Laughter.)

DIRECTOR RAINES: No, no, no. I have - the OMB troops are here. We're going to produce the President's budget, and we'll be here to give you all these wonderful briefings in the future.

Q Oh, God. (Laughter.)

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Q I have a question for Gene or for Janet, which is about Korea, whether or not you're watching what's going on in Korea, and whether or not the U.S. will participate in any sort of bailout funds for Korea?

MR. SPERLING: Obviously, we're always watching, particularly the Treasury Department, and obviously Deputy Secretary Summers is going to Manila as part of the deputy finance ministers. So, it's never - we're always watching and it almost never does any good to say anything - speculate or say anything about these situations.

Q Did the cutoff of the IMF funding create a problem for the administration in participating in discussions -

MR. SPERLING: I think Erskine's already answered it, so -

Q Gene, you're close to a lot of House Democrats. Is it your sense that some of the problems are related or isolated strictly to the issue of trade, or are there broader concerns in the relationship that the White House should be moving to correct?

MR. SPERLING: I think trade in the House is always going to be a tough issue. And I think that it was always going to be difficult. There were real differences of opinion, and I don't think they have much to do with the timing of the President's term or anything else. That was always going to be a tough battle. I think that there are plenty of things that are going to unite Democrats going forward. I think, certainly, education, certainly children's issues, including child care; certainly tobacco. So I think that there will be - I think you'll see Democrats fighting together on many fronts, but as Erskine said, when we - in order to get something done, you ultimately have to be able to work in a bipartisan way, and whenever we see that opportunity, our goals to - we're going to try to do that.

Q On the issue of fairness as it relates to entitlement reform, I guess this is directed to the OMB Director, again. Are you speaking in terms of perhaps means testing Medicare or something along that line if you're concerned about future solvency and how to address that issue?

DIRECTOR RAINES: Well, as you know, we have had - we had discussion in the balanced budget negotiations about the structure of Medicare and in that case, there were discussions about how the premiums might be adjusted for those with the highest income. And those did not happen as part of that reform, although we did manage to extend the life of the Medicare system for 10 to 12 years. We are going to be appointing a Medicare commission next month, and these issues will be on their agenda for them to make recommendations to the President and Congress.

MR. TOIV: Just one last thing. The President has signed into law - Frank you'll be interest to hear this - the President has signed into law the sixth and final continuing resolution for fiscal year 1998.

Q How far does that go?

MR. TOIV: This extends to the 26th of November. This gives the Congress enough time to process the bills and get them over here and gives the White House enough time to review the bills before the President acts on them. And

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that's it.

THE PRESS: Thank you.

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HEADLINE: WEBWIRE-MAKES ANNOUNCEMENT ON WHITE HOUSE CHIEF OF STAFF ERSKINE
BOWLES; WASHINGTON, D.C.

SPEAKER:

WILLIAM J. CLINTON, PRESIDENT OF THE UNITED STATES

BODY:

PRESIDENT CLINTON MAKES STATEMENT ON IRAQ

NOVEMBER 14, 1997

*** Elapsed Time 00:00, Eastern Time 14:45 ***

SPEAKER: WILLIAM J. CLINTON, PRESIDENT OF THE UNITED STATES

SAMUEL BERGER, NATIONAL SECURITY ADVISER TO THE

PRESIDENT

ERSKINE BOWLES, PRESIDENT'S CHIEF OF STAFF

*

CLINTON: Two days ago and again last night, the United Nations Security Council sent a clear, unanimous message to Iraq -- Stop obstructing the international weapons inspectors, who are the eyes of the world, on your weapons of mass destruction capability.

Instead of complying with the unequivocal will of the international community, Saddam chose to expel the weapons inspectors from Iraq and, in so doing, to defy the United Nations.

Saddam has spent the better part of the last two decades and much of the wealth of his nation not on providing for the needs and advancing the hopes of the Iraqi people, but on a program to build an arsenal of the most terrible weapons of destruction -- nuclear, chemical, biological -- and on the missiles to carry them to faraway places.

The UN inspectors have done a remarkable job of finding and destroying the weapons and the weapons potential he was hiding and preventing him from building new weapons. These quiet inspectors have destroyed more weapons of mass destruction potential over the last six years than was destroyed in the entire Gulf War.

*** Elapsed Time 00:01, Eastern Time 14:46 ***

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Their work is important to the safety of Saddam's neighbors and indeed to people all around the world. It must be allowed to continue.

Today, and in the days ahead, the United States will work intensively with our allies and our friends in the region and around the world to convince Iraq to comply with the will of the international community as expressed in the United Nations resolution.

*** Elapsed Time 00:02, Eastern Time 14:47 ***

Meanwhile, the U-2 missions over Iraq must continue. Without inspectors on the ground, it is more important than ever to monitor events from the air.

CLINTON: And we will maintain a strong military presence in the Gulf.

To that end, I have ordered today the aircraft carrier George Washington to the region as a prudent measure to help assure that we have the forces we need for any contingency.

This is a crisis of Saddam's making. It can be unmade only when he can no longer threaten in the international community with weapons of mass destruction. Thank you.

QUESTION: Mr. President, (OFF-MIKE) going to take unilateral action?

BOWLES: I'm sure you'll all stay around for my part of this.

(LAUGHTER)

BOWLES: I'm going to talk a little bit about what we have accomplished this year, and the events of the last week, and then Sandy is going to come up and talk a little bit about the situation in Iraq and we'll take some questions.

*** Elapsed Time 00:03, Eastern Time 14:48 ***

I think Gene Sperling and Janet Yellen and the budget director and Elena Kagan are all here to take questions on your behalf.

In thinking about this last year, I thought when I came in a little while ago, I thought of my good friend Dean Smith back in my beloved North Carolina and some of the great teams that he's put together over the years. And I remembered one team we had that went 28 in four. The team practiced hard, they worked hard together. They accomplished some great results and they got to the final four and they lost that last game by two points at the end of the game. And at the end of that game the team was disappointed, some of the fans, and the critics were disappointed.

*** Elapsed Time 00:04, Eastern Time 14:49 ***

But I think after the game and after things settled down and they reflected on what had gone on during the entire year, they all decided it was a good year and a year they could be proud of, and they looked forward to keeping the team together and to practicing hard and coming back next year and seeing if they could win at some of those games and beat some of those teams they lost to

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during the year just completed.

BOWLES: I think it's fair to say that we did have a good year this year. It was a year of progress and achievement. It's also been a year of true bipartisanship and cooperation. And it's a year in which many of us banded together to prepare our country for the 21st century.

I know inevitably (ph) you want to talk about the hits and misses that occur during the last week. And I promise you, we'll get to those and I'll take those questions.

But let me talk about, briefly, some of the things we have accomplished during the last year.

Back in February, the president laid out a clear, ambitious call to action in his State of the Union address for the second term.

*** Elapsed Time 00:05, Eastern Time 14:50 ***

And as the Congress is now adjourning, I think the record is clear that we have accomplished a great deal. I would begin with the accomplishment of achievement of the first bipartisan balanced budget in a generation that will produce real savings in excess of \$900 million.

That budget was achieved with some real tax cuts for hard- working, middle class families, at the times when they need it the most, when they are raising their kids, to pay for education, when they are buying or selling a home and saving for retirement.

We also achieved the largest increase in education funding in 30 years.

*** Elapsed Time 00:06, Eastern Time 14:51 ***

We did this by vastly increasing the money that's being made available for early childhood programs to prepare our kids so that they are ready to enter school, ready to learn, and also through the expansion of the America Reads program and the establishment of high national standards for fourth-grade reading and eighth-grade math, so that when our kids graduate from high school, they'll graduate with a diploma that means something.

BOWLES: And also with the availability now of increased Pell grants and with the tuition tax credit and with the Hope scholarships, that additional two years of education will be universally available, which is a goal the president outlined in the State of the Union.

We also came forward this year with the largest increase in health care for children since Medicaid in 1965, making it possible for as many as 5 million additional kids to have health care insurance -- kids that don't have insurance today -- through an unprecedented \$24 billion for children's health care.

We also were able to get forward and pass some critical long-term entitlement reform by taking out and extracting about \$400 to \$450 billion worth of savings in the Medicare program that extends the life of the Medicare trust fund out

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for 10 years.

*** Elapsed Time 00:07, Eastern Time 14:52 ***

And we also established a Medicare commission, which will allow us to address the long-term structural problems associated with Medicare.

Six, we were able to pass provisions that will enable us to move 2 million people from welfare to work, and also to restore basic health and disability benefits to legal law-abiding immigrants -- something that the president had promised to do prior to the beginning of this year.

We also took concrete steps forward to preserve the environment, to clean up over 500 toxic waste dumps, and with our Brownfields tax initiatives, to redevelop 14,000 contaminated sites within our inner cities.

We also were able to get through ozone and particulate matter regulations, which will go a long ways toward improving the health of our children. And the U.S. came out with a very strong position on global climate change.

On the foreign policy front, I think we also have a great deal that we can be proud of.

*** Elapsed Time 00:08, Eastern Time 14:53 ***

We did ratify the Chemical Weapons Convention. We were able to extend normal trading relations with China.

BOWLES: We strengthened the NATO Partnership for Peace through the signing of a NATO-Russia Founding Act, and by offering membership in NATO to Poland, the Czech Republic and Hungary. We also negotiated the information technology agreement and the telecommunications agreement, unshackling over \$500 billion in trade in sectors where the U.S. already has a very dominant position, and we launched the Africa Free Trade Initiative.

There are also several areas where we did come up short. While we accomplished a great deal, there were four basic areas that we did not reach the potential that we had hoped to. The first was clearly in the renewal of fast-track trading authority. We did have strong opposition by some members of the Democratic party, and we also had opposition from some members of the Republican party who linked their trade vote to international family planning.

*** Elapsed Time 00:09, Eastern Time 14:54 ***

We have had a temporary setback there. We do plan to come back next year, hopefully in February, with a bill that can achieve broader bipartisan support. This is something that the president truly believes is critical to the future economic well being of this country.

A second area where we feel short was in the passage of real campaign finance reform. The Republican Congressional leaders blocked the McCain-Feingold bill from coming to a vote. Thank goodness, Senator Tom Daschle, the minority leader, was able to extract a pledge from Trent Lott to have a clean up-or-down vote on this measure before March 6th of 1998. So this is another portion of

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where fell short that we'll be able to fight the battle again at the beginning of next year.

Third, we did not, we were not able to enact a strong juvenile justice bill, which we had hoped to do this year.

*** Elapsed Time 00:10, Eastern Time 14:55 ***

However, the president was able to use his executive power to make some progress on this central piece of legislation.

BOWLES: And many of you may remember that we were able to issue a directive to all federal agencies requiring child safety locks to be issued with every handgun, and we also reached an agreement with eight major handgun manufacturers to provide child safety locks with each handgun that's sold.

And lastly, just the day before yesterday, we were set back in our efforts to attain funding for the UN arrears and for the new agreements on borrowing through the IMF, again, another area where we plan to go back in early February to meet with the Congress and try to see if we can bring this to a successful conclusion.

I think that summarizes what we were able to achieve, where we felt we fell short and some of the areas where we did fall short and hope to go back on at the beginning of next year.

*** Elapsed Time 00:11, Eastern Time 14:56 ***

Sandy is now going to come up and take a...

QUESTION: What about the nominations that have -- going to set back, surgeon general and civil rights?

BOWLES: There are a number of nominations which didn't come through. Two -- you just mentioned two that we have a great concern on. We believe that Mr. Satcher will be confirmed to be the surgeon general at the early part of next year. We believe that Bill Lann Lee is highly qualified to be assistant attorney general for civil rights. He certainly has a record of clear integrity. This is a man who has spent his entire life fighting for civil rights and someone that the president supports and supports strongly. We believe this man deserves a vote, but I assure you he will be the next assistant attorney general for civil rights.

QUESTION: (OFF-MIKE) recess (OFF-MIKE) what are you saying that the recess...

BOWLES: I assure you he will be the next assistant attorney general for civil rights.

QUESTION: (OFF-MIKE) quantum leap and say there will be?

(LAUGHTER)

BOWLES: Well, we hope he'll get a vote.

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QUESTION: Mr. Bowles, do you believe that Congress is playing by the rules with all of these appointments?

*** Elapsed Time 00:12, Eastern Time 14:57 ***

BOWLES: Well, I think, you know, yes, they're playing by their own rules. Whether or not we like those rules is another subject.

BOWLES: I think the job they've done with Bill Lann Lee is disgraceful. I am deeply disappointed with their effort as it relates to appointing judges.

As you know, I've spent my entire life trying to bring people together. I think I'm known as a relatively reasonable person when working with both sides.

But I think the job they've done with judges and with our assistant attorney general for civil rights is just plain wrong.

QUESTION: What are you going to have to do differently, do you think, to get the fast-track passed in the spring?

BOWLES: I think we have to do a number of things. We've already started doing those. We've been reaching out to members of both sides, trying to talk about ways that we can make some modifications in our bill so that we can come forward with a bill that can get broader bipartisan support.

We just failed -- very -- you know, we were very, very close this time.

*** Elapsed Time 00:13, Eastern Time 14:58 ***

And we think we can make the kind of modifications that will allow us to come back and get it passed in February.

QUESTION: Can you tell us what the modifications might look like?

BOWLES: I'd rather spend some time talking with the members of Congress, doing our homework, being properly prepared, going out to the people and generating some additional support in the country, and then come forward a little later on and tell you exactly how we would modify the bill in order to achieve the support we need to get it passed.

But it is critical that we get it passed. As you look to the future, one third of the growth that we've had in the past has come from exports. In the future, world trade is expected to grow at three times the rate of the U.S. economy.

Ninety-six percent of the world's customers are not here. We have got to bring down these trade barriers so that we can compete on a level playing field with our competitors in Japan and Europe.

QUESTION: Dean Smith retired. Are you planning to do the same?

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(LAUGHTER)

BOWLES: What's that?

QUESTION: Dean Smith retired. Are you planning to do the same? Are you going to be here next year?

BOWLES: No (ph), I plan -- I'm going to be here as long as the president wants me to stay.

*** Elapsed Time 00:14, Eastern Time 14:59 ***

QUESTION: Erskine, the fast-track debate revealed not only some differences in principles over trade between House Democrats and the White House, but there were also a lot signs of personal resentment and tension and a lot of ill will on their part -- or feelings that they weren't appreciated here.

QUESTION: But there were also a lot of signs of personal resentment and tension and a lot of ill will on their part, of feelings that they weren't appreciated here. The larger relationship between House Democrats and the White House is what I'm talking about. How much of a concern is that to you and the president, and is there anything you plan to do about it?

BOWLES: I think some of that has been overblown, John. I think if you look at the votes that we've had this year, whether it's in the balanced budget where we had between two-thirds and three-quarters of the Democrats voting with us, if you even look at the trade issue where it passed with a majority of Democrats in the Senate, where it had the support of the majority of the governors, a majority of the mayors, if you look at our positions on education, on health care, on welfare to work, on any number of issues -- on tobacco, on some of the issues that we'll face next year, I think you can see that there is broad consensus among the Democratic party.

*** Elapsed Time 00:15, Eastern Time 15:00 ***

Only in the area of trade, I believe, is -- and I think it is a very distinct area -- has there been somewhat of a schism. And what we're going to try to do over the next couple of months is work hard to make sure we bring ourselves together so that we can have a bill that gets broader bipartisan support.

QUESTION: Why weren't you able to at least round up votes in the new Democratic Caucus? It seems of all the Democrats who should have supported free trade, you would have been able to round up all those votes.

BOWLES: Karen, I hope that we can do a better job in rounding up support for it as we go forward. We were able to get about a quarter of the Democratic Caucus to come forward and support it. We hope, if we can make some modifications to the bill, that it'll make it more acceptable to a larger number of Democrats and we can get their support.

QUESTION: Erskine, you were talking about the IMF and how you might find (OFF-MIKE) of this next year. There are some crises going (OFF-MIKE) in Asia that might prevent you from being able to do that.

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*** Elapsed Time 00:16, Eastern Time 15:01 ***

Yesterday they said, Capitol Hill estimated it will require about \$50 billion to bail out Korea if that becomes necessary.

QUESTION: Since they just cut off part of your IMF funding, will that force you to use the currency stability fund?

BOWLES: In the discussions I've had with Secretary Rubin and Deputy Secretary Summers, they feel comfortable that we can manage the problems that we now face and we expect to be able to go back in the first part of the legislative session and, hopefully, secure the funding for the IMF, and in addition get the funding that we need for the UN arrears.

Both of these should have passed this time. I think the fact that they were linked to international family planning just made no sense whatsoever.

QUESTION: Erskine, you said that you're looking to alter the bill that was out there. Are you looking, at this point, in altering a broader bill? Or might you do a -- what's the likelihood that you'd do a fast-track bill that's more narrowly tailored to a specific idea such as a treaty with Chile?

BOWLES: We haven't made a decision on that yet.

QUESTION: Erskine, the president...

*** Elapsed Time 00:17, Eastern Time 15:02 ***

QUESTION: On Bill Lann Lee, you were saying that he is going to be the next civil rights enforcer, and you say unequivocally. But are you kind of fearful -- is the White House fearful that there could be some retaliatory measures from Congress if there is a recess appointment?

BOWLES: This is a matter that the president believes in strongly. He has supported the principle of civil rights his entire career. Bill Lann Lee is somebody who is qualified, who deserves to be assistant attorney general for civil rights, who will make a great representative of this country and he should be and he will be...

QUESTION: So you're not fearful of congressional retaliation?

BOWLES: No.

QUESTION: Erskine, the president started out the year with a very strong call for bipartisanship, and prevailed through part of the year. Have you (OFF-MIKE) Bill Lann Lee -- has bipartisanship totally broken down in Congress?

BOWLES: No. And I think there's a good deal of opportunity for congressional bipartisan efforts, whether it's in the international area or whether it's on selected domestic issues.

*** Elapsed Time 00:18, Eastern Time 15:03 ***

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When we can put together a bipartisan coalition, we want to do that.

BOWLES: We think that's in the best interests of the American people. They want to see us get things done and not just talk about things. I think if you look at that laundry list of issues that I went through, whether it was achievement of some real fiscal responsibility in this country, whether it's in the area of education, whether it's in the area of environment, whether it's in the area of moving people from welfare to work, tax relief for middle class families, there was broad, bipartisan support for each one of those, and we worked hard to achieve that.

QUESTION: When your appearance was billed here, we were told that you were also going to project what the president would be seeking in the future in addition to fast-track. Are there any new initiatives?

BOWLES: I think there are a number of things that you can expect to see us working on as we go forward. First, we do want to make sure that we do open up markets for U.S. goods, so we will come back with some fast-track legislation. Secondly, we are going to work again to have some real campaign finance reform. Thirdly, we will work again to pass a strong juvenile justice bill. We do want to secure the UN arrearages and the funding for the IMF.

*** Elapsed Time 00:19, Eastern Time 15:04 ***

In the area of new things that we'll be exploring, I think you will look at us trying to advance our education agenda, stressing the importance of high national standards and the infrastructure needs that our schools face today. I think you'll see us working on a consumer bill of rights. You'll see us very active with the tobacco legislation. I think you'll see us moving forward with health care and pension portability, child care initiatives, reforming the Medicare and Social Security needs of this country and trying to solve the structural long-term areas of that.

Let me bring Sandy up, because he's got to leave in just a minute, to talk to you a little bit about foreign policy.

QUESTION: (OFF-MIKE) the tax code?

BERGER: Did you ask me about reform of the tax code, Helen?

(LAUGHTER)

QUESTION: Yes.

BERGER: We're in favor of it. Are there any questions? I have a long statement here about accomplishments in the foreign policy area, but I think you may have some questions.

*** Elapsed Time 00:20, Eastern Time 15:05 ***

QUESTION: (OFF-MIKE) with the president's diplomacy, is it your sense that the problem here and that what the president and the administration has to do is convince everybody else in the world that Saddam is as big a threat as you apparently believe he is?

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BERGER: No. I think the international community has spoken quite clearly over the last two days in first the UN Security Council resolution, then last night in the unanimous statement after he decided to throw out the American UNSCOM inspectors -- indeed, in practical effect, all the inspectors. So I think there is a clear base of understanding in the international community that this is a threat, that he has the -- certainly has demonstrated the intent to use these weapons. And if he has an unfettered capacity to do so, it's a threat not only to his neighbors, but to -- to the world. And we are now engaged in talking, consulting with our -- with our allies and friends on how we intensify the pressure on Saddam Hussein to get the same message.

*** Elapsed Time 00:21, Eastern Time 15:06 ***

QUESTION: Well, isn't there disagreement, though, on how much pressure should be exercised and whether or not it's worth going all the way?

BERGER: I think there is a clear feeling on the part of the international community that this is a threat, this is a serious matter, that this poses a risk to the region and a risk to the world. And I'm not going to speculate on where -- what steps may proceed.

QUESTION: Sandy, the military moves are fairly obvious for us to gauge. I mean, you know, they say we're moving a second carrier in. The diplomatic moves are harder for us to ascertain. Can you tell us what it is precisely that you're trying to accomplish, what the secretary of state is trying to accomplish, what the president is trying to accomplish when we call France or Russia or Great Britain or whomever?

*** Elapsed Time 00:22, Eastern Time 15:07 ***

BERGER: We are consulting with our allies on how we intensify the pressure on Saddam Hussein and what -- what should take place if he doesn't -- doesn't reverse himself.

QUESTION: Sandy, is it a concern that everything that can be done to Saddam has been done? He's lived through sanctions for 6.5 years. We've hit him repeatedly with air strikes. And none of it has done much good.

BERGER: Well, I think that's -- I'm not sure I accept that judgment. The fact is that Saddam has been kept in a box in a sense for this six-year period. The sanctions, which are the most pervasive sanctions ever imposed on a nation in the history of mankind, have cost his country \$100 million -- \$100 billion.

Now every year or so, Saddam Hussein tries to break out of that containment box either by moving towards the south, as he's done in some instances, moving in the north as he's done in other instances, in this case throwing out the international inspectors.

*** Elapsed Time 00:23, Eastern Time 15:08 ***

And what the international community has to do is to be, once again, absolutely clear and firm that that is not acceptable behavior, that he

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remains a threat and the only way out for him is to come into compliance.

QUESTION: If I could follow up on that. The point of the question is there isn't much more we could do at this point.

BERGER: Well, I think that we have, as I said before, we have maintained for six years, since the end of the Gulf War, we have kept Saddam Hussein contained. We have done an enormous amount to destroy his weapons of mass destruction through UNSCOM. We have stopped him when he has tried to move again towards Kuwait. And I think we are -- we have to -- this is going to be a long-term enterprise on the part of the international community to assure that he does not, once again, become a threat to his neighbors or a threat to the region or a threat to his own people.

*** Elapsed Time 00:24, Eastern Time 15:09 ***

QUESTION: Sandy...

BERGER: John.

QUESTION: ... is it long-term U.S. policy -- not UN policy, but U.S. policy -- to see Saddam removed from power? And is there any possibility of using this current crisis to achieve some more long-term resolution so that we don't have this sort of episodic, annual round of crises?

BERGER: Well, it is American policy to assure that at the very least, he is not a threat to his neighbors or a threat to his own people. That policy has more or less been successful over the last six years.

And I think we have to be prepared when he tries, as he has in the very insidious way in this case, to break out of that box, to make it very clear that that is not something that we'll tolerate.

QUESTION: Just to follow up on John's question. Did the president intend to lose the goal post this morning when he said that the sanctions would be kept in place as long as Saddam is in power, as long as he lasts, as he put it? Is it his opinion that the sanction will not be lifted ever as long as Saddam is in power, whatever he does?

BERGER: No. Let Saddam Hussein -- let Saddam Hussein come into compliance, and then we can discuss whether there are any circumstances.

QUESTION: But Sandy, for the record, can you say that...

BERGER: It has been our position consistently that Saddam Hussein has to comply with all the relative Security Council resolutions from this action.

QUESTION: Does this mean for the record that were he to comply -- in other words, the point is moot for you (OFF-MIKE) -- were he to comply with the sanctions, the U.S. would not block the UN from lifting the sanctions?

BERGER: Well, I don't think, under these circumstances, when he has blatantly out of compliance, it is the right time for us to talk about how we lift the

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sanctions.

*** Elapsed Time 00:26, Eastern Time 15:11 ***

I mean, you know, that's -- we're not going to negotiate lifting the sanctions at a time when he is blatant disregard of not only the sanctions, but also of the Security Council resolutions.

QUESTION: It's not the matter of negotiating. It's the point that we're searching what is in the resolution. They -- you know, they say that, if he complies, if there is a rule that he has complied to sanctions, would you direct (ph) it? Is the U.S. position right now that they would direct it or (OFF-MIKE)...

BERGER: It's been the U.S. position since the Bush administration that Saddam Hussein comply -- has to comply with all of the relevant Security Council resolutions.

QUESTION: Not to belabor -- not to belabor a quote, but what the president said -- what he has just done is to ensure that the sanctions will be there until the end of time or as long as he lasts.

BERGER: Well, that's right, and that's not inconsistent with what I've said. In other words, there's no way -- if he is -- if he's got to be in compliance, he can't be in compliance if he's thrown the UNSCOM people out. So it's a necessary condition. It may not be a sufficient condition. He certainly cannot come back -- come into compliance when he's thrown the UN inspectors out, and as long as they're out, there's no way we can have an argument about whether he's in compliance.

QUESTION: Sandy, as the president's national security adviser, how concerned are you and how concerned ought the American people to be about the fact that we are now, for all intents and purposes, blind in Iraq to what he can do with those weapons of mass destruction?

*** Elapsed Time 00:27, Eastern Time 15:12 ***

BERGER: Well, let me -- let me just -- let me put it this way. I don't believe that he can redo -- the UNSCOM inspectors have been extraordinarily successful over the last six years, and a large portion of Saddam's weapons of mass destruction have been identified and destroyed. I don't believe that he can redo in a few weeks what UNSCOM has destroyed and -- over six years. But certainly, left to his own devices over a long period of time without international inspection, it is a danger.

QUESTION: Sandy, could you...

UNKNOWN: Last question (OFF-MIKE).

*** Elapsed Time 00:28, Eastern Time 15:13 ***

QUESTION: ... reassure the public that the United States has the intelligence and the military capacity to destroy Iraq's ability to deliver weapons of mass

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destruction, or are we limited in what we can do even if we wanted to?

BERGER: No, I don't think it's appropriate for me to talk about what our military capacity is or not. I think that's a mistake.

QUESTION: Sandy, have you made any headway with...

QUESTION: What were the (OFF-MIKE) -- Mike McCurry said again here today that although you and the president and Madeleine Albright are all working to try to get support from allies, support from the UN, if necessary, the president could act unilaterally and he could do so legally.

Can you explain that? Would it be because any nation has a right to protect itself? And could the president argue that Saddam Hussein is a threat to the United States?

BERGER: There is a body of UN Security Council resolutions that go back for six years, which in our view confers all the authority that we would need. But obviously, it is our first preference to resolve this without -- by diplomacy and peaceful means, and that's what we are engaged in over the next several days in terms of trying to work with our allies, some of whom have more contact with Saddam Hussein than we do, to make it clear that the international community is resolute with respect to this breach.

*** Elapsed Time 00:29, Eastern Time 15:14 ***

QUESTION: You've got to go see...

QUESTION: (OFF-MIKE) make it sound useful at this point?

BERGER: Excuse me?

QUESTION: How could the French government make itself useful to the international effort at this point? And what would you like to see from Paris?

BERGER: Well, I think the government of France, as other governments, need to convey -- hopefully will convey -- and I believe have conveyed to Saddam Hussein that he is totally outside the realm of any kind of acceptability from the international community when he throws out these inspectors, and that the only way that he can get back into any kind of dialogue with the international community is by coming back -- allowing those inspectors back.

*** Elapsed Time 00:30, Eastern Time 15:15 ***

(UNKNOWN): Thanks, Sandy.

(UNKNOWN): We still have -- we still have Gene Sperling, Frank Raines, Janet Yellen, and Elena Kagan here to answer any further questions about the year-end report.

(UNKNOWN): Anybody have any questions? Why don't you all come up?

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QUESTION: What's the next budget...

FRANKLIN RAINES, DIRECTOR, OFFICE OF MANAGEMENT AND BUDGET: What's the next...

QUESTION: How are you coming along in preparing the budget?

RAINES: We are in the process now of reviewing the proposals from the agencies and the president will be making his decisions in December for the 1999 budget.

But let me say one thing in following up what Erskine said.

The president presented his budget in February. Since that time, 15 very important bills have passed to implement that budget -- the tax cut bill, the balanced budget bill and 13 appropriations bills.

*** Elapsed Time 00:31, Eastern Time 15:16 ***

And just as the president said that his plan presented in February would lead us to a balanced budget, indeed, it will lead us to a balanced budget. And just as he said that it would implement his priorities, indeed, through that -- those 15 bills that Congress has enacted on a bipartisan basis, the president's program has, in fact, been enacted, whether you look at education or you look at the support for families in raising their kids or if you look at the environment. You see that the president's program has been enacted.

The important part of this isn't simply that we said so in February, but if you look one year ago -- one year ago -- the convention wisdom was that the struggle with the Republican majority where we were so far apart on priorities would inevitably lead to a clash, and no results.

And if it didn't lead to a clash, it would lead to the president having to retreat from his priorities and principles.

*** Elapsed Time 00:32, Eastern Time 15:17 ***

But if you match up the president's budget and the Republican plan of last year to what has actually happened, case after case, what the president has proposed has actually been enacted into law.

RAINES: So, we're no longer at the stage of speculating as to whether or not we could achieve this. In fact, through the enactment of 15 separate bills, the president's plan is now the law of the land.

QUESTION: Speaker Gingrich, yesterday, said he wouldn't be surprised if the president embraces the marriage in eliminating the marriage tax penalty. Given the White House is looking at the budget surplus and ways in which the tax code could be changed, is that one option that you're entertaining?

RAINES: Well, the -- as all of us have tried to say, that we don't want to spend the surplus before it's time. So we would prefer to see any surplus arrive before we had conclusions on how to spend it.

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But we are looking as part of his policy process and this is the National Economic Council, as well as OMB, his council of economic advisers, had a broad range of policy initiatives that the president can address in his State of the Union address and in his budget.

*** Elapsed Time 00:33, Eastern Time 15:18 ***

And so we are looking at a broad range of things, and I think that just as people were impressed by the array of proposals that he made this last January, I think they'll be impressed by his State of the Union speech this coming January.

QUESTION: Is that going to be an issue in terms of tax (OFF- MIKE)?

RAINES: Well, there are a lot of issues in our tax system that the president has spoken to.

We have managed to deal with several of them in terms of incentives in the tax system for education and for raising kids. But there are issues of tax equity that he is quite concerned about. And he has asked all of us to look at those issues as well as the issues of long-term entitlements, to see what kinds of proposals we can make now to move closer to a resolution of those issues.

QUESTION: When do you submit the budget?

RAINES: The first week -- the first week of February.

OK?

*** Elapsed Time 00:34, Eastern Time 15:19 ***

QUESTION: You are all here for a reason, and I wonder if I could get somebody, Mr. Raines or Gene, to simply deal with this unspoke, unasked answer to lame duck questions straight out, because that's what this is all about, I assume.

QUESTION: What's your impression of those assessments that fast-track signaled the end of all this success and that now we're into a different kind of period.

RAINES: Well, I'm sort of the new guy here. But I remember when I was appointed to this office, people asked me, why are you going in there? I mean, this was last April. And they said, he's a lame duck, isn't he? The president -- we've got a Republican Congress -- how in the world can anything happen?

And I would just hold up the last year as testament that any time anyone calls this president a lame duck, he seems to have a very good following year. So I'm not concerned about that. We have an enormous, an enormous opportunity to pursue the president's program, and I expect we'll be as successful in this coming year as we were in the last year.

*** Elapsed Time 00:35, Eastern Time 15:20 ***

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This past year has probably been the largest change in fiscal and domestic economic policy that we've seen in 30 years, and we're seeing the results in the economy that continues to grow and produce jobs at low inflation. We're seeing the results in improved fiscal policy, lower deficits. I think we couldn't have seen a better year. And I expect that we'll continue to see one. This is an opportunity for this entire administration to continue to produce. Indeed, I think if we focus on the 15 bills that I mentioned, and there could be another 15 I could have mentioned that are not appropriations bills, you would see this was one of the most productive sessions of Congress that we've had in a long time.

QUESTION: Are you staying on?

RAINES: Me? Oh, absolutely. I mean, what else would you do other than be OMB director?

(LAUGHTER)

QUESTION: But there are so many rumors every other day that you're leaving.

*** Elapsed Time 00:36, Eastern Time 15:21 ***

RAINES: Me? No, I'm not. I think you're confusing me with somebody else.

(LAUGHTER)

No, no, no. I have -- the OMB troops are here. We're going to produce the president's budget, and we'll be here to give you all these wonderful briefings in the future.

QUESTION: Oh, God.

(LAUGHTER)

QUESTION: (OFF-MIKE) about Korea, whether or not you're watching what's going on in Korea and whether or not the U.S. would participate in any sort of bail-out funds for Korea?

SPERLING: Obviously, we're always watching, particularly Treasury Department, and obviously Deputy Secretary Summers is, will be going to Manila as part of the deputy finance ministers. So, you know, it's never -- we're always watching, and it almost never does any good to say anything, speculate or say anything about these situations.

*** Elapsed Time 00:37, Eastern Time 15:22 ***

QUESTION: Could the cut-off of the government funding create a problem for the administration in participating in discussions, though?

SPERLING: I think Erskine's already, I think Erskine's already answered it, and so...

QUESTION: Gene, you're close to a lot of House Democrats.

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QUESTION: Is it your sense that some of the problems are related, they were isolated strictly to the issue of trade, or are there broader concerns that the -- in the relationship that the White House should be moving to correct?

SPERLING: I think trade in the House was always going to be a tough issue, and I think that it was -- it was always going to be difficult. There were real differences, real differences of opinion. And I don't think they have, you know, much to do with, you know, the timing of the presidential -- the president's term or anything else. That was always going to be a -- that was always going to be a tough battle.

I think that there are plenty of things that are going to unite Democrats going forward, I think, certainly education, certainly children's issues, including childcare, certainly tobacco.

*** Elapsed Time 00:38, Eastern Time 15:23 ***

So I think that there will be -- I think you'll see Democrats, you know, fighting together on many fronts, but as Erskine said, when we -- in order to get something done, you ultimately have to be able to work in a bipartisan way. And when we -- whenever we see that opportunity, our goal is to -- you know, we're going to try to do that.

QUESTION: On the issue of fairness as it relates to entitlement reform, I guess this is directed to the OMB director again, are you speaking in terms of perhaps means testing Medicare or something along that line if you're concerned about future solvency and how to address that issue?

*** Elapsed Time 00:39, Eastern Time 15:24 ***

RAINES: Well, as you know, the -- we have had -- we had discussions in the balanced budget negotiations about the structure of Medicare and in that case there were discussions about how the premiums might be adjusted or those with the highest income.

And those did not happen as part of that reform, although we did manage to extend the life of the Medicare system for 10 to 12 years. We're going to appointing a Medicare commission next month and these issues will be on their agenda for them to make recommendations to the president and Congress.

SPERLING: Just one last thing. The president has signed into law -- and, Frank, you'll be interested to hear this -- the president has signed into law the sixth and final continuing resolution for fiscal year 1998. This extends until the 26th of November. This gives the Congress enough time to process the bills and get them over here. It gives the White House enough time to review the bills before the president acts on them.

*** Elapsed Time 00:40, Eastern Time 15:25 ***

END

NOTES:

???? - Indicates Speaker Unknown

- Could not make out what was being said.

off mike - Indicates Could not make out what was being said.

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LANGUAGE: ENGLISH

LOAD-DATE: November 15, 1997

LEVEL 1 - 75 OF 133 STORIES

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Rocky Mountain News (Denver, CO)

November 8, 1997, Saturday

SECTION: NEWS/NATIONAL/INTERNATIONAL; Ed. F; Pg. 57A

LENGTH: 361 words

HEADLINE: Clinton is asked to omit anti gays as hate topic
President schedules 1 day conference at White House on Monday

BYLINE: Ann McFeatters; Scripps Howard News Service

DATELINE: WASHINGTON

BODY:

President Clinton holds a one-day White House Conference on Hate Crimes on Monday, but is being urged not to include opposition to homosexuality in that category.

The Traditional Values Coalition, which says it represents 32,000 churches in opposing abortion, homosexuality and pornography, said Friday it fears that the conference and Clinton's overtures to the gay community would come close to "lumping the objections of religious citizens to homosexuality in some sort of hate crime."

Andrea Sheldon, executive director of the coalition, said her group opposes violence, but is worried that the administration is leaning toward labeling activists who oppose gay rights as engaging in hate crimes. She said there already is a "subtle" campaign under way in schools to teach children that "opposing homosexuality is bad."

She also condemned Clinton's decision to speak tonight at the Human Rights Campaign dinner to raise money for anti-discrimination legislation for gays.

The White House said Clinton wanted to speak at the Human Rights Campaign dinner to condemn job discrimination against homosexuals and to promote the force of law behind that effort.

White House aides Maria Echaveste, director of public liaison, and Elena Kagan, deputy assistant to the president for domestic policy, said Friday that at the hate crimes summit, expected to draw about 350 people, Clinton will call for more law enforcement against hate crimes and more meaningful statistics.

Officially, there were 8,759 hate crimes last year, compared with 7,947 in 1995, both figures believed to be lower than the true number. Many communities do not report them. The perceived breakdown is that 63 percent are race-related, 14 percent reflect religious bias, 11 percent are based on ethnic prejudice and 12 percent are against homosexuals.

Kagan said that 30 percent of the victims of hate crimes end up in the hospital compared with 7 percent of victims in other crimes. Echaveste said that Clinton wanted to hold the conference because the issue of hate crimes kept coming up as he pushed his initiative to have a national discussion on race

Rocky Mountain News (Denver, CO), November 8, 1997

relations.

LANGUAGE: English

LOAD-DATE: November 11, 1997

LEVEL 1 - 76 OF 133 STORIES

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November 07, 1997 9:44 Eastern Time

SECTION: NATIONAL DESK

LENGTH: 1695 words

HEADLINE: Transcript of White House Press Briefing on Hate Crimes by Echaveste,
Kagan (1 of 2)

CONTACT: White House Press Office, 202-456-2100

DATELINE: WASHINGTON, Nov. 7

BODY:

Following is a transcript of a White House press briefing on hate crimes by Assistant to the President and Director of Public Liaison Maria Echaveste, and Deputy Assistant to the President for Domestic Policy Elena Kagan (1 of 2) :

The Briefing Room

1:13 P.M. EST

MR. LOCKHART: Good afternoon, everyone. Before Mike comes out for the regular daily briefing, we are joined by Maria Echaveste, who is the Director of the Office of Public Liaison; and Elena Kagan, the Deputy Director of the Domestic Policy Council. They're going to give us a little rundown of the White House Conference on Hate Crimes, which is scheduled for Monday, give you an outline of what we expect the agenda to be, who will be participating. And they'll be glad to take any questions you have. Thanks.

MS. ECHAVESTE: Good afternoon. Just some background, why we're having the White House Conference on Hate Crimes. As part of our outreach and soliciting input on the President's Initiative on Race, one of the issues that people talked a lot to us about was the existence of hate crimes and what people perceive to be an increase in hate crimes, and this is an issue that we really decided to take a look at.

While a majority of hate crimes seem to be against people of color, there are hate crimes against people based on their beliefs, religious beliefs, sexual orientation. About six months ago the Attorney General put together a working group at the Department of Justice at the President's request to develop recommendations to tackle this problem.

So on Monday we will have this conference. It will be organized as follows. We have over 350 people coming from all over the country. A good portion are law enforcement, state and local officials -- because law enforcement is a very significant partner in trying to combat hate crimes.

We will start off with a breakfast here at the White House that will be closed to the press, and then we will move over to GW, at which point the President will start the conference by making some opening remarks, will be making some announcements. And then he will moderate a panel with seven other individuals that include: a principal from Mamaroneck, New York, who after a series of hate crimes in Mamaroneck, which is a suburb in Westchester County,

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he organized a community effort to combat; a woman from Montana, who was the subject of anti-Semitic hate crimes and who organized her community to have both Jews and non-Jews put menorahs in their windows to show the community's response against hate crimes.

Fundamentally, this is about being tough on hate crimes. We're drawing a line against hate. There should be no question anywhere around this country that we do not tolerate violence against a person because of what they look like, what they believe in, because of their sexual orientation. There should be a broad consensus, indeed unanimity, that violence against an individual because of an individual's characteristics is wrong.

And so there will be law enforcement and prevention announcements on Monday. After the President's remarks we will then have a series of workshops moderated by members of the Cabinet. We have full participation, beginning with the Attorney General and including people like Secretary Cuomo, Secretary Riley, Secretary Slater; breaking into workshops -- then that will be about an hour and a half -- and then we will have the Attorney General get a report back from each of the moderators in terms of what was discussed and possible actions after the conference.

So why don't I stop there and let Elena talk a little bit about some of the data or statistics and facts that we have regarding hate crimes.

MS. KAGAN: I'll give you a little bit of the data, but I'll warn you first that the data we have, the statistics we have are not all that meaningful, and that's principally because hate crimes, we have every reason to think, are dramatically under-reported. They're under-reported for two reasons: first, because victims themselves are often embarrassed about the crimes or hesitant for other reasons to report them; and second, because under the existing system communities report crimes to the Justice Department in order to get aggregate figures voluntarily. Not all communities do that. There has been a steady increase each year in the number of communities that participate in this reporting system, but we're not yet at a hundred percent, so the statistics that I will give you are almost surely under what is truly happening out there.

And it's also very difficult from these statistics to actually figure out what the trends are, whether there are more hate crimes each year, whether they're staying the same, or whether there are even fewer. The statistics, as you'll see, go up, but it's hard to know whether that's because incidents are increasing or because the reporting is getting better.

But the total number of hate crimes in 1996, hate crime incidents reported, were 8,759. In 1995, it was 7,947. So there is an increase but, again, it's hard to know whether that's an increase in the actual incidents or just better reporting.

In terms of what kinds of crimes these are, the 1996 figures show that racial bias accounts for over 60 percent of the reported hate crimes, precisely 63.13. Religious bias accounts for 13.9 percent. Ethnicity, which is often crimes against people of Hispanic origin, count for 11 percent. And sexual orientation counts for about 12 percent of those crimes. That's a little bit about the statistics.

MS. ECHAVESTE: Questions?

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Q Do you anticipate increased penalties for hate crimes as a result of this conference, recommended by the Attorney General?

MS. KAGAN: Well, we're going to have more to say about the announcements that we're going to make on Monday, and I don't want to say now what the President is going to call for, but the President is going to talk about law enforcement efforts, making sure that the laws we have on the book appropriately protect all our citizens and then making sure that those laws are enforced so that we're actually bringing the perpetrators of these crimes to justice. So I guess that's all I want to say about that now.

Q This question is for Maria. Maria, what groups -- what civil rights are going to be attending and what parts are they playing Monday in the workshops?

MS. ECHAVESTE: Did you say "civil rights groups"?

Q Yes.

MS. ECHAVESTE: The participants really -- it ranges everything from the usual organizations like ADL and National Council -- Leadership Conference. But we also try to get individuals from community organizations from around the country. And I do want to stress the law enforcement participation. This is a significant piece, because one of the things that we've learned is that people who have been the victims of hate crimes have in the past been reluctant to report their crimes to their local police, if it was a crime because of sexual orientation, feeling there would be a lack of sympathy, a lack of responsiveness. And we really want to hear from law enforcement officials who have developed their task forces or their community response in order to teach others on how to do it.

I think the important thing about a hate crime is not every act of violence is, in fact, a hate crime. And oftentimes you don't know that is in indeed a hate crime until you've finished your investigation, in order to understand the motivation. And so this makes it a little more difficult to investigate.

Q First of all, about the connection between the remarks the President is going to make tomorrow night and the conference on Monday. Do you have anything to say about that?

MS. ECHAVESTE: We announced the date of the conference in June and it just was fortuitous that we had accepted the HRC dinner a few months later.

Q The second thing is with regard to education or the educational community, so to speak. A lot of this goes on in schools or with students to other students and in many communities is simply treated as a law enforcement issue. The schools boards or the administrations don't want to get involved. So --

MS. ECHAVESTE: That's absolutely -- in fact we have two workshops: one on hate crimes in K through 12 -- just having that title makes you cringe a little bit to think that students will be harassing and possibly engaging in physical attacks against fellow students when they're fairly young. We'll also have one on hate crimes on college campuses -- on campus -- because the education piece is very, very important.

Q Why did you decide to do this now? I mean, what -- can you explain the timing? Why didn't this happen four years ago?

U.S. Newswire, November 07, 1997

MS. ECHAVESTE: Well, all I can tell you in terms of what we've been working on -- since I've gotten here at any rate -- as I said, the idea came about as we were exploring and getting options and input on the President's Initiative on Race. And a number of groups came to us and said, you know, there is this problem of hate crimes and it really needs some visibility and needs to be put on sort of center stage, and we want to encourage the White House to do it. And so in that context we thought a conference is a good way to do it and it can encompass a variety of different groups that are the subject of hate crimes.

Q What will you do with the information afterwards? What sort of follow-up will you have?

MS. ECHAVESTE: Well, I think a lot of it depends on the interactions and the suggestions that come out of the workshops. I think that you will see from the announcements on Monday that there will, indeed, be follow-up. This is a significant commitment.

LANGUAGE: ENGLISH

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